THE FINANCIAL POST
OF CANADA
The Canadian Newspaper for Investors

VOL. XI. SINGLE COPIES, 10 CENTS. PUBLICATION OFFICE: TORONTO, SEPTEMBER 29, 1917 ANNUAL SUBSCRIPTION $3.00. No. 39

HOW DAVIES CO. GOT GUARANTEE ON THE MINIMUM COST OF BACON; FLAVELLE DID NOT KNOW OF IT

Company in August, 1916, Entered a New Field and Was Insured Against Loss Till January, 1917.

THE "PROFITEER" AS A FACTOR IN PROSPERITY

Men Who Got Munitions and Other War Business for Canada Brought Industrial Activity At Their Own Financial Risk When the Country Appeared to Be on Verge of Industrial Collapse.

WHAT was the guarantee that the William Davies Company had in connection with its bacon contracts with the British Government? What was the basis of this agreement and the conditions of it? Did it put the company in the position of a favored competitor?

These we believe are the questions which represent the crux of the Davies' inquiry in the minds of readers of THE FINANCIAL POST, who are interested in the investigation from a business standpoint and not with the sordid inquisitiveness of those who merely desire to see mud thrown upon the head of the concern—Sir Joseph Flavelle—who for reasons which we have previously intimated is being put up as the target for well trained volleys of abuse.

Further light will be thrown upon the question of the guarantees at future sittings of the commission of enquiry. Whether the company will be able to justify itself in the eyes of the business world will then be decided. It is quite safe to say that the complexion which the public press will put upon the matter will serve the purpose of further condemning the company and its executive head in the eyes of the people.

The guarantee which was given to the company was on a basis of minimum costs. It applied on orders between August 1916 and January 1917. From the standpoint of business it had certain advantages of a mutual character. The situation briefly was this:

For two years the Davies Company had been shipping forward orders on government authority with its own consignments and selling on the open market. Still larger supplies were required in August 1916. The Davies Company was asked to meet the demand. This meant an enlargement of the field of operation and the handling of quantities beyond normal prospects or capacity. Under these circumstances an arrangement was made whereby the government guaranteed the company against loss on the basis of minimum costs—the product still to be sold in the open market. Such a guarantee had advantages on both sides—no doubt the purchasing officials would not have entered into such an arrangement had they not thought they stood to benefit thereby.

As to the point whether other concerns got such a guarantee, THE FINANCIAL POST understands that they did not. Whether this was unfair, or whether the Davies Company was merely granted protection for the unusual risks it was taking, is an interesting point from the business standpoint. The company contends that there was no concession to which it was not entitled by the existing conditions. Competitors take the stand that the guarantee put them at some advantage but admit that it was good business on the part of the Davies concern.

As to the point whether Sir Joseph Flavelle had any connection with the guarantee, we are in a position to state that the Chairman of the Munitions Board was not aware that there was such a guarantee given until after the present investigation was commenced. In fact Sir Joseph with his heavy duties in Ottawa has had little time for the details of the operations of the Davies Company.

* * * *

We have previously pointed out that the Davies' inquiry is an attack upon the head of the concern, Sir Joseph Flavelle—an attack which will have a tendency to close the door to public life to the big business men of the country whose services are now so badly needed and will be required to an even greater extent in the reconstruction stage of the near future.

Despite that general prosperity which has been brought to the country by war activity, a prosperity in which the common people are sharing to an extent many have never before known, an opportunist public press is taking advantage of the abnormal economic conditions prevailing to agitate popular opinion against the successful men in industry and business. For the purpose the word "profiteer" has been coined.

What is a "profiteer"? We have no definition. Public opinion applies the term to any man who has attained wealth and who has played a part in the handling of war contracts. Public opinion has already forgotten the dark days and the dull which followed the outbreak of the war when business slowed down and there was every indication that Canada was facing an industrial and financial crisis of grave character. It was then that the "profiteer"—although public opinion applied no such opprobrious term as that time—with his own initiative and in most cases at the risk of his own capital, fought in close competition for a share of the munitions and other war orders for Canada. True, he did it for the benefit of his own industrial plant, or for personal gain, but the fact remains that he was the factor who was responsible for bringing war-time prosperity to Canada and who put money in the pockets of the mass of the people at a time when many of them were facing a condition little short of poverty.

Had it not been for the industrial plants of Canada, how much prosperity would there be in Eastern Canada to-day? Had it not been for the war orders how many automobiles would there be on our streets? Is not every man who drives a car or has otherwise benefited from war prosperity as much a "profiteer" as the man who brought the war orders to Canada? In most cases the difference is that the latter took a risk and the former did not.

* * * *

It must not be considered that the operator of an industrial plant in making wealth is keeping it from his employees. The great bulk of what he gets is created by his own ability and application. An efficiently operated plant will make profits and pay just as high or higher wages than one which is run by an inefficient executive. Henry Ford pays wages which set a standard for the industrial world. A "profiteer"—to use the term can be of great benefit to the community. He can not only promote industry in making his money but he can benefit the community in the distribution of it.

There may be individual cases where men have made big money out of the war, and have not given largely of their profits to patriotic funds, Red Cross funds, and other commendable purposes. This is a matter, however, which we have to leave very largely to a man's own conscience. If we become too socialistic and endeavor to force him to contribute all, or the major part of his profits, we will defeat the purpose we are trying to attain and the result will be that our production will decrease. The daily press and the general public are criticizing very severely the men who are making money to-day. We appreciate that there is a problem here, but it is useless to criticize unless we offer some solution. We are not opposed to taxing profits. We realize that this is necessary. We do claim, however, that the tax must be equitable and justly applied, or it will defeat its own aim.

NEW VICE-PRESIDENT.

R. S. Hudson Fills Higher Office for Canada Permanent.

R. S. Hudson, joint general manager of the Canada Permanent Mortgage Corporation, has been appointed second vice-president in succession to the late G. W. Monk. The vacancy on the board created by the death of Mr. Monk has been filled by the appointment thereto of William Mulock.

Mr. Hudson has also been appointed second vice-president of the Canada Permanent Trust Company, and Mr. Mulock has been appointed a director, thus filling the places vacated by Mr. Monk's death.

TROUBLES THAT AFFECT MAKERS OF WOOLENS

Paton Mfg. Co. Running Short Through Labor Scarcity.

HARD TO GET WOOL

And Price is Excessive—Promised Relief From Australia Still Far Off—Earnings Will be Reduced.

If the conditions that have confronted the Paton Manufacturing Company of Sherbrooke continue for the balance of the year there is no possibility of the very favorable showing of the mills for the year 1916 being repeated. Where last year for a large part of the time the mills were operating for several nights a week, the scarcity of labor, especially in weaving, has cut them down to a bare 45 hours a week, and the capacity even at this schedule falls below the standard.

"Labor is so scarce that, although we have an increase of 15 per cent. in the wages of our weavers, we cannot get enough for our needs," said John Turnbull, the president and managing director to THE FINANCIAL POST. One reason for this in the case of this company is that in Sherbrooke there are no less than six munition factories operating, and the wages paid there, as elsewhere, make it impossible for any other manufacturer to compete by offering anything like the scale of wages for the unskilled labor that is employed. Nor has the gradual shutting down on the orders to these factries resulted in any easier conditions of labor to the Paton mills, as has been the case with a number of other textile mills.

Another condition that militates against this industry at the present time is the excessive price that is charged for wool and yarn. For a Canadian wool that was offered to this firm away back in 1902 at 15½ cents a lb. the price to-day is 89 cents, and for another that at that time sold for 13½ cents the present price is 87 cents. This makes the price to the consumer very high and the manufacturers are only surprised that the orders for late fall and for next spring are keeping up as well as they are.

No Australian Wool

A third element that hurts the woollen industry is the delay in securing the long promised supply of the New Zealand and Australian wool clip that was commandeered by the Imperial authorities as far back as December of last year. So far not a pound of this has reached Canada, although there are assurances that some of the New Zealand wool has left. It was found impossible to secure a bottom at Sydney to ship the quantity that had been set aside for the Canadian mills, according to the allotment that had been agreed upon some months ago. More than this, the price that is being asked by the authorities is so high that many of the manufacturers are disposed to go very gingerly into the making up of goods that will retail at so high a price that the public will be discouraged from buying. The Sherbrooke mill spins nearly all the yarn it uses.

The net profit of the Paton Manufacturing Company last year was $314,311, leaving the surplus at $644,955, compared with $442,051 at the end of the previous year. Last year a bonus of 5 per cent. was declared in addition to the regular 8 per cent. This year a bonus of 2½ per cent. was declared in March and only 2 per cent. in August, reflecting the feeling of the directors that the conditions outlined above would hardly warrant a continuance of the full amount given last year.

OVER $6,000,000 FROM U.S. ORDERS TO CANADIANS

Widespread War Business Coming Over Prevents Slackness.

HIGH TRIBUTE TO CANADA

Efficiency of Our Mills Often Responsible for Orders in Competition—Largest So Far to Dominion Textile—Good News for Investors.

The slight slackening in the new business of the textile mills of Canada coming from domestic sources is finding compensation in the orders that are being placed by the United States Government for war supplies. So far as THE FINANCIAL POST can estimate the amount of the orders already in hand, these will exceed $6,000,000, and, as in many instances the securing of orders by Canadian mills is simply a matter of ability on their part to accept and give deliveries, the total will continue to increase rapidly for months to come.

These orders are arriving at a most opportune time, and in some respects may be said to resemble in results the speeding up of factories in Canada in 1915 and 1916 from munition orders, and the subsequent growth of business that went in the train of the increased buying power of the public.

Fairly Good Profits Assured.

From the point of view of the investor it will be found that for a number of mills these United States orders will enable them to bring up their output to that of last year or beyond, and the pressing need of the War Department for rush deliveries naturally has resulted in a rather better price to the mills than if the contracts had been thrown open to a merciless competition.

Canadian Mills Given Preference

On the other hand, it is to the credit of several of the Canadian industries that they were chosen by the United States experts in preference to those on the other side, simply because they had reached a higher state of efficiency in manufacture of the military lines required than the corresponding factories of the United States. Orders were not always conferred on Canadian manufacturers, just because the U. S. mills could not guarantee deliveries. Often their facilities were superior, or the efficiency higher and the price so much lower; sometimes it was a question of a supply of wool in Canada being more assured. In any case, Canadian industry has been paid a high tribute in the last few weeks, the extent of which it is impossible to reveal at the present moment, for military reasons.

It was not all exaggeration that was contained in an article in a New York commercial paper a few days ago, admitting, with a measure of complaint, that orders for 12,000,000 pairs of woollen gloves had been given to Canadian mills because they could turn out, through their superior machinery and skill derived from similar orders for the Canadian troops, gloves at $3.50 a dozen that cost $6 for the American mill. In the case of the Dominion Textile Company orders for webbing were given as the only firm in America that could turn out the special kind that was required for the haversacks and other equipment of the United States "'Sammy."

Army Duck and Webbing

The announcement of the order for 2,000,000 yards of khaki duck to Canadian Cottons created some stir in Canada. THE FINANCIAL POST is informed that orders received for army duck and webbing by the Dominion Textile Company makes this two millions look small, and at a moderate estimate would exceed two million dollars and will grow steadily.

"The amount of this order," to quote F. G. Daniels, the general manager, "is considerably more than any order that has been mentioned on the street so far." Then orders for blankets long ago passed the million dollar mark.

Stratford as a Glove Centre.

Over 1,400,000 pairs of woollen gloves are being made up in the single City of Stratford, divided among three factories. The value of this order exceeds $600,000, and another $200,000 order has gone to a Mitchell mill. Somewhere around 800,000 pairs of stockings are being made up by four other mills with a valuation around $300,000. In underwear the orders that have been received or are on the way will approximate one million suits.

As illustrating what is coming to Canada from the other side, the following sample list is presented, illustrating the sizes of the orders and the prices that are being paid:

Gloves.	Amount.
Stratford Glove Mkrs., Strat'd.	$203,362
Scotch Glove Co., Stratford....	210,600
Ferguson & White, Stratford..	207,360
Mitchell Knitting Co., Mitchell	210,600
Stockings.	
Boyd Caldwell & Co., Lanark..	$ 60,000
Mercury Mills, Hamilton	27,600
J. McMurchy & Sons, Brampt'n.	50,400
Kingston Hosiery Co., Kingston	157,500
Shirts.	
Montreal Shirt & Overall Co.	$ 19,800

GOVERNMENT FISH SCHEME IS CONDEMNED

Another Example of Interfering With Private Enterprise.

OPINION OF F. T. JAMES

Says Government Competition Will Have Effect of Discouraging Private Operations and Eventually Raising Prices.

F. T. James of Toronto, who has recently returned from British Columbia, where he has been acting on the Government Fish Commission, is outspoken in his disapproval of the Ontario Government's newly inaugurated fishing activity. He makes the point that in entering this new activity without consulting the wholesaler or asking his support, the Government is not meeting the wholesaler on an even basis, but is giving itself a decided advantage.

The Government is opening practically virgin waters for its own fishing scheme, waters that have been closed to commercial fishing. The Provincial Government is taking a good deal of credit for lowering the price of lake fish to the consumer. It is Mr. James' opinion, however, that lower prices would naturally have resulted from the opening of these new waters, quite apart from any Government action, by the automatic effect of increased production.

It is not the effect that this activity may have on individual businesses that Mr. James fears, but the effect that it will actually have on the campaign to increase the consumption of fish in Canada. Instead of increasing consumption, Mr. James sees a decreased consumption, and instead of a decreased, an increased price.

American Competition.

American competition has always been a strong factor on the Canadian fish market. American buyers bid high for contracts on the fisherman's output, and only by being able to pay a fair contract price is it possible for the Canadian fish merchant to prevent the bulk of the Canadian fish crossing the line. Under this new Government movement the odds will all be in favor of the American buyer. The fisherman, who, as in other lines of activity, is faced with higher costs, costs of net, of boats, of labor, will not be able to produce fish to sell at the figure the Provincial Government price would ensure him. The wholesaler having to sell in competition with the Government figure, could not pay more, consequently the Canadian fisherman must seek the only market offering, that of the United States. With this supply withdrawn, the Government supply would be merely a drop in the ocean.

There can be only one conclusion from these arguments in Mr. James' opinion. The actual result of this Government activity, must in the end not only prove a disturbing element to business, a discounting element in the campaign to popularize fish, but also an actual factor toward increased price. As decreasing the price of fish is the only justification that the Ontario Government has, Mr. James believes that no good can come of the scheme. A move is on foot among the wholesale fish men whereby some arrangement may be made with the Ontario Government whereby some of the results hoped for may be obtained without a total disruption of already existent business.

CENSUS FIGURES ADD 20,000,000 TO WHEAT CROP

Total Excess Money Values to Farmers $225,000,000.

BRIGHT OUTLOOK FOR STOCK

Creamery Butter Returns Worth $2,000,000 over 1915—U.S. Government Prepares for Big Demands for Years—Screening Question

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

Threshing returns from Western Canada show increasing figures. Especially in Alberta, the yields of wheat and other grains are running high. The census estimate just out from Ottawa, shows an increase of 20 million bushels over their previous estimate. President Findley of the Massey-Harris Co., just back from the West confirms the optimistic outlook. The West, he says, will have much money and be in a more prosperous condition than ever before. John Appleton of the Dominion Mortgage Co., is authority for the statement that mortgages are being paid off and conditions of farm finances in Western Canada show a sound situation. Taking the whole Dominion into consideration, the excess of money to the farmers this year over the averages for the past four years will likely run from 200 to 225 millions. The same is equally true of conditions in the United States where the excess over average conditions before the war, according to some New York stock brokers' estimates will be about six billions of dollars. The worthy part of this report is that the increment of values comes to the producer rather than to the dealer. An equally satisfactory situation exists in the case of the animal products in the Dominion. Our estimate of a $1,100,000,000 field crop in Canada this year is a very conservative one.

In dairy products, the Dominion statistics show that the production of creamery butter is slightly below the 1915 record, with 82,000,000 pounds as against 84 millions. Yet higher prices put the 1917 crop at $27,000,000 as against $24,385,000 in 1915, a gain of over 2½ million dollars. In cheese, homemade butter, sale of whole milk, and cream the prices will show a big increase over previous years, when the figures are tabulated.

In the matter of livestock the returns show an increase of milk cows and horses over pre-war figures, but a decrease of 500,000 cattle, 125,000 sheep and 1,000,000 hogs below 1913, although sheep have increased slightly over 1916.

Mr. Fox of the Wm. Davies Co., says that the run of hogs this fall is expected to be quite up to the usual. Prices, no doubt, will have to lower some, but the excessive demand from overseas for all our meat products will ensure stable, paying prices, not only for the time during the war but for years afterwards. This view is borne out by a statement in the U.S. Government official bulletin this week. While the American meat exports to the Allied nations have increased from 493,848,000 lbs. before the war, to 1,339,193,000 for the year ending June 30, 1916, the demand is going to be keen for years following the conclusion of peace. The big demand of the Teuton Allies for fats will draw from the supplies to England and France, and America must fill the gap. Cattle, sheep and hog

Continued on page 7.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Cement, com.	59	59
Do., pfd.	90½	90½
Maple Leaf	108	108
Dom. Steel	60	59½
Col. Loan	69	69
Barcelona	10½	10½
Steel of Can.	55½	55
Toronto Rails	66	65½
Nipissing	950	950
Brazilian	39⅝	39⅝
Locomotive, pfd.	85½	85½
War Loan (1925).......	96⅝	96⅝
War Loan (1931).......	95½	95½
War Loan (1937).......	94⅝	94⅝
Union Bank	138	138
Imperial	194	194
Dome Mines	850	850
Petroleum	1325	1325

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up, $16,000,000. Rest, $16,000,000.
Undivided Profits, $1,557,034.
Total Assets - - - $386,806,887.

BOARD OF DIRECTORS:
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Throughout Canada and Newfoundland
Also at London, England
And New York, Chicago and Spokane in the United States.

THE MERCHANTS BANK OF CANADA

Established 1864 *Head Office, MONTREAL*
President—Sir H. Montagu Allan, C.V.O. Vice-President—K. W. Blackwell
Managing Director—E. F. Hebden General Manager—D. C. Macarow

Paid-up Capital	$ 7,000,000
Reserve Fund and Undivided Profits	7,421,292
Total Deposits	92,102,072
Total Assets	121,130,558

233 Branches and Agencies in Canada, extending from the Atlantic to the Pacific.

A GENERAL BANKING BUSINESS TRANSACTED

Special attention given to Collections. SAVINGS BANK DEPARTMENT AT ALL BRANCHES.

Commercial and Travellers' Letters of Credit issued; available and payable, respectivly, in all parts of the world. Travellers' Cheques issued in convenient denominations, payable at par throughout the world.

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THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840.
Paid-up Capital - $4,866,666.66 Reserve Fund - $3,017,333.33
Head Office—5 GRACECHURCH STREET, LONDON, E.C. 3
HEAD OFFICE IN CANADA—St. James Street, MONTREAL.
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This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.) and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies
Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

The Standard Bank of Canada

Quarterly Dividend Notice No. 108

NOTICE is hereby given that a dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending October 31st, 1917, and that the same will be payable at the Head Office in this City, and its Branches, on and after Thursday, the 1st day of November, 1917, to shareholders of record of the 20th of October, 1917.

By order of the Board,
C. H. EASSON,
General Manager.
Toronto, September 21st, 1917.

LLOYDS BANK LIMITED.

Head Office: 71, LOMBARD ST., LONDON, E.C. 3.

CAPITAL SUBSCRIBED		£31,304,200
CAPITAL PAID UP		5,008,672
RESERVE FUND		3,600,000
DEPOSITS, &c.	(June, 1917)	141,053,601
ADVANCES, &c.	do.	67,573,903

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
London Agency of the IMPERIAL BANK OF CANADA.
The Agency of Foreign & Colonial Banks is undertaken.
French Auxiliary: LLOYDS BANK (FRANCE) LIMITED,
with Offices at PARIS, BIARRITZ, BORDEAUX, HAVRE and NICE.

THE MOLSONS BANK

Incorporated by Act of Parliament 1855
Capital Paid Up - - $4,000,000
Reserve Fund - - - 4,800,000
HEAD OFFICE, MONTREAL
98 BRANCHES
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NEWS OF SECURITIES — Markets Dull and Weak

INVESTMENT SITUATION

SO far as the general investor is concerned recent developments have not done much to clear the atmosphere in the Canadian situation, although there has been some reflection of the somewhat more settled spirit evident in New York with the prospect that the period of "price meddling" uncertainty in the steel and allied trades may be drawing to a close. In the Canadian markets the forthcoming Dominion loan is a dominant factor. It not only means that funds are being conserved to that end, but that the banks with heavy financing for the crop and war orders in addition are discouraging anything like speculation. Then, too, the prospect of a Government issue with an increased rate of return to the investor, and still other issues in the future at still higher rates, has the effect of readjusting the whole basis of investment values to lower levels. From the standpoint of intrinsic value there can be no doubt but that there are many securities—very many—being offered at what may be considered as bargain prices; but while they will undoubtedly ultimately return to much higher levels it must be remembered that values are relative, that conditions are far from normal, that capital is short and that while the war lasts and Government issues continue to appear with increasing returns to the investor the natural tendency would be to a further contraction in all investments. In this phase of the situation, as in practically every other phase, the dominant question is the duration of the war. That factor not only offers the influence referred to from the financial standpoint but is, of course, the great consideration from the standpoint of production and profits in the various industries. It dominates our whole economic system. From the American standpoint the following opinions are of interest.

Theodore H. Price writes in *Commerce and Finance*: "The practice of loaning a client's securities, though technically legal, is morally questionable in any event. Through it a broker is made a party to short sales, whose purpose is to depreciate the market value of the property in which his customer's money is invested. There is but little short selling of stocks that are not carried on margin, and if their intrinsic value is not impaired their market value is unaffected, even in times of panic. Under an agreement which brokers exact from those for whom stocks are carried on margin the right to loan them is legally acquired, but its exercise, especially in a time like the present, is against the interest of both the principal and the public, and it would be well if what is in effect a 'conversion' of securities that is now illegal without the owner's consent was made impossible, even with his acquiescence."

Improvement that so clearly has been shown in the market for securities seems making a response to the removal of fear of a strain in money, says Henry Clews. It may, too, be ascribed to a widespread belief, which undoubtedly has foundation, that no effort will be spared in patriotic financial circles to promote a cheerful feeling in the investment markets during the period the new loan is being publicly subscribed. There could be no greater handicap against the success of the loan than to have a spirit of pessimism prevail at that time.

For several weeks there had been evidences of scarcity of funds available for fixed maturities. This was in no sense unnatural in view of the heavy demands that were in sight. Lenders also were inclined to discriminate against collateral comprising all industrial securities, thus bringing into prominence a situation that had during the recent past been developing so gradually that its full significance was not at once widely appreciated. That is to say, transactions in industrial securities on the New York Stock Exchange have on a constantly increasing scale been becoming the basis of active operations. It thus happened that when lenders became insistent upon mixed collateral—securities of railroads as well as industrials—the supply of the former was restricted.

STEEL

Market Listless With Volume of Trading Light and Price Fluctuations Narrow.

By P. BAIN, M.E.,
Editor Canadian Machinery.

Steel securities have been listless this week and the volume of trading has been narrow, stocks failing to move in sympathy with the upward movement in New York. There are, however, indications of a firmer tone to the market, although any pronounced activity seems unlikely. There is almost a total absence of the speculative feature, buying now being more of an investment character. With prices at the prevailing low levels, the time seems opportune to buy steel stocks which are attractive in view of the prosperous condition of steel concerns.

Now that steel prices have been fixed by the U. S. Government, one element of uncertainty has been removed, and the effect in this respect was beneficial, although it caused no activity. The Pittsburg price on steel bars is $58, shapes $60 and plates $65 per ton. Pig iron is $33 per gross ton. The announcement was favorably received on the New York market as indicated by a sharp upturn in prices, but Canadian steel stocks did not respond to this movement. The announcement, however, created considerable interest in the Street, as it has for some time been a favorite topic of discussion. The chief reason for this interest was: Its possible effect on the Canadian situation. Under normal conditions these new prices would have created a basis for those in Canada, as the market here has invariably conformed to the levels prevailing in the States. Conditions now, however, are not normal and there is considerable difference of opinion as to the ultimate effect of these lower prices in the States, on the situation in Canada. The embargo has changed conditions to such an extent that the old rule does not necessarily apply to the prevailing situation. All steel products imported into Canada have to come in under special license furnished by the U. S. Government, and to obtain this license the material must be for munitions, ships or other war purposes only.

Conditions at the present time are such that no one knows what is likely to develop either in regard to the supply of material or prices. The embargo has created unusual conditions in the trade in so far as it affects certain materials not produced in Canada, among which may be included boiler tubes, plates, larger size structural shapes. Those materials can be obtained for shipbuilding or marine boilers, but for any other purposes or for merchant stocks it is very difficult to obtain an export license.

Indications point to a much tighter situation owing the the heavy demand for steel which will ultimately develop in the United States. The capacity of the mills, although very large, is limited, while the demand is apparently unlimited. It is not known publicly what action the United States Government may take in regard to its requirements of steel for war purposes, but it appears likely that a considerable percentage of the output of steel will be taken over for this purpose. A report is current that the U.S. Government contemplates taking over 95 per cent. of that country's output to be utilized in the manufacture of munitions and war equipment generally.

	Close Sept. 20	Close Sept. 27	Change
Can. Car, com...	27	25	—2
Do., pref.	63	58	—5
Can. Loco., pr...	86	85	—1
Gen. Elec.	103	103	...
Dom. Bridge ...	153	140	—13
Dom. Iron, pref..	89	89	...
Dom. Steel	62⅜	59¾	—2⅝
N.S. Steel, com..	92	91	—1
Do., pref.	105	105	...
N. Stl. Car, com.	5	5	...
Ont. Stl. Pr. com.	29	29	...
St'l of Can., com.	57½	55¼	—2¼
Do., pref.	87½	88	+ ½
Russell Motor ...	69	69	...

DOMINION BRIDGE.

Since the excitement on the street caused by the successful completion of the Quebec bridge central span, the market for Dominion Bridge has dropped back from the high level of 154 which it reached after an advance of 10 points last week. A sharp reaction set in early this week, however, and the stock lost all the advantages gained, falling to 143. Profit taking on the recent advance was considered normal under the circumstances and the decline was not unexpected. Reports of an increase in dividend distribution are again going the rounds. The completion of the Quebec bridge has raised the hopes of the shareholders in the company but it is not thought likely that there will be any special distribution just yet. The bridge was built by the St. Lawrence Bridge Co., a subsidiary of Dominion Bridge. St. Lawrence Bridge Co. having been formed for the specific purpose of building the undertaking, the intention at the outset was to dissolve the company when the undertaking was completed. That intention may be modified by the fact that the company has branched out into munition work in the last year or so. But the American interest in the concern may prefer to withdraw and take its profit, now that the bridge is complete. In that even the organization might be taken over in its entirety by Dominion Bridge and either merged with it, or held as another of the subsidiary companies.

The company has done very well with two subsidiaries formed since the war started, the Montreal Ammunition Co., and the Dominion Copper Products Co. The capital of the latter has been raised successively from $400,000 to $1,000,000 and then to $3,500,000. The Bridge Co. share of the surplus of these two companies, plus the profit that will be realized from the Quebec Bridge, plus the surplus accounts of the parent concern are naturally viewed as constiuting the basis of a stock dividend of 50 per cent., or more, sooner or later. The issued capital stock of the Bridge Company is only $6,500,000 of $10,000,000 authorized with no bonds or preferred stock ahead of it, and the last report showed a total of $2,564,500 in profit and loss surplus and reserve accounts. By making a distribution of special assets in stock rather than cash the company would be able to hold a large amount of working capital available for any new business that may turn up. The opportunities in that respect are already shown in the fact that the company recently embarked on the manufacture of marine engines in a large way.

EASTERN STEEL.

According to a special to THE FINANCIAL POST in another column of this issue, the bondholders of the Eastern Steel Company, following the recent fire which destroyed the main building of the works, and in view of the financial position of the concern, are seriously considering the outlook as regards their security. The report indicates that things are in rather a clouded state, that creditors have been pressing their claims, and that the outlook is not very bright for the redemption of the bonds in full.

NATIONAL STEEL CAR.

The stock of the National Steel Car continues inactive and fails to attract the public interest in spite of the prevailing low level. The stock does not appear to be popular at the present time although the situation will doubtless improve when the benefit of the recent organization has become effective. The company it is understood has booked some nice contracts which should materially improve the financial condition of the concern. The preferred now stands at 28 and common at 5½.

CANADIAN LOCOMOTIVE.

Although the annual report of the Canadian Locomotive Co. was very satisfactory, in fact the most successful year in the history of this concern, there was no movement in the stock until some days after the meeting when the preferred advanced ½ point to 85½. The common stock is unchaged at 54

Quotations given in this column last week were in error having been confused with those of another security. Also a mistake was made in reproducing a report which gave credit to M. J. Haney for a statement regarding the company's affairs delivered by the president, Mr. Aemilius Jarvis at the annual meeting.

Mr. Jarvis discussing the progress made during the past year and the gradual change in the company's business from munition orders to locomotive construction, says: "The proportion of the munition output of the company compared to the total output of the plants during the past fiscal year was approximately 33%. This has been gradually decreasing with each succeeding month and to-day the proportion is less than 10%. The munition contracts were taken at very low figures, but, in spite of this fact the profits of the company for the first two months of this year over the corresponding period of last year had increased 40%. The company has also steadily improved its position as regards its liquid assets. At the end of 1916 the company owed banks $581,500, whereas at the end of the last fiscal year the company had paid off all its loans with banks and had over $175,000 cash on hand. Since that time the amount has been very substantially increased."

STEEL CO. OF CANADA.

Steel of Canada stock has been fairly active but has lost all the gains made following the dividend announcement. The common worked up to 58, but has since weakened and declined to 56¼. The preferred are quoted at 87 bid and 88 asked. It is stated by interests close to the company that it has many months' profitable orders on hand, and will be able to use to advantage the new coke ovens, contract for which was recently let at a cost of $1,500,000. Robert Hobson, president of the company, stated recently that the construction of the coke ovens was now under way, but that it would take at least a year to complete them. This addition to the company's plant would not mean any large expenditure for buildings as the greater part of the cost was for the ovens.

LAKE SUPERIOR CORPORATION.

There will be harmony at the annual meeting of the Lake Superior Corporation, October 3, says a Philadelphia despatch to the *Wall Street Journal*. A more confidential attitude on the part of the Lake Superior management has assured certain large stockholding interests that highly commendable progress is being made in advancing the financial status of the corporation. These stockholders have been assured that new arrangements just effected have securely placed the Algoma & Eastern Railway in a position to earn its interest charges in the future while the Algoma Central & Hudson Bay Railroad is now earning 50 per cent. of its interest charges. Additional light has also been thrown upon the development of the new ore properties in the Helen mine. While siderite ore, new deposits of which have been found beneath the floor of the old hematite mine workings, has long been regarded among mining men as a bastard ore, a new process has been installed at the Algoma Steel Co. to undertake the conversion of it into a fine steel-making product. This ore in its natural state contains 48.28 per cent. iron and has a hardness ranging from 3.5 to 4.5 with a specific gravity of 3.7 to 3.9.

NOVA SCOTIA STEEL.

There has not been any noticeable activity in Scotia, but the stock has declined in line with other steel securities. The stock is standing at 90, having declined from 94. A dividend of two per cent. on the preferred is payable on Oct. 15 to shareholders of record Sept. 29.

PULP AND PAPER

Further Sagging in Prices Noticeable This Week, With Trading Still Slack.

By W. A. CRAICK.

The week has again been featureless from the stock market standpoint. Trading is practically at a standstill. There has been little change in price among the stocks in this group, but the general tendency, if anything, has been downward. From the following schedule, the changes for the week may be noted:

	Close Sept.20	Close Sept. 27	Change
Laurentide	167	165	— 2
Riordon	118	116½	— 1½
Span. River, com.	15	14½	— ½
Wayagamack ...	54½	56	+ 1½
Brompton	46	47	+ 1
N.A. Pulp	3½	3 7-16	+ 1-16
Howard Smith ..	65	65	....

The Pringle commission of investigation into the paper question will resume its sittings in Ottawa on Tuesday. The Commissioner announces that the meeting will consider accountants' statements of cost of manufacture of newsprint in Canada and hear any evidence that may be offered concerning the manufacture, sale, price and supply of newsprint paper within the Dominion of Canada.

Interviews this week with manufacturers of book, writing and bond papers, indicate a determination to maintain prices in spite of present slackness of business. One manufacturer stated that he was fully prepared to close down his mill rather than cut prices. He maintained that his raw material and labor were costing him so much that he could not sell his product at a less price without loss, and that he did not intend to do so. The opinion among manufacturers of these lines of paper seemed to be that, while there was a present slackness and considerable paper was being offered by the salesmen of United States mills at very low prices, yet this condition was only temporary and would be righted as soon as surplus stocks were used up. Until manufacturing costs begin to recede, it is their opinion that no decline in price should be expected, and, as there is no immediate prospect of a break in that direction, quotations will be maintained.

Members of the Newsprint Manufacturers' Association report increased production for the month of August. 99.5 per cent. of the maximum was produced, as against 89.3 per cent. in August, 1916, a net gain of 150 tons a day. While shipments during August were larger than during July, the per cent. of maximums shipped was only 97.2 per cent., against 97.9 per cent. in July, which situation is represented by an increase in stocks on hand at the end of the month of approximately 4,000 tons.

LAURENTIDE.

An ostensible drop in Laurentide to 165 this week is explained by the fact that this stock went ex-dividend 2½ last Friday. The price of 165 is, therefore, equivalent to 167½, at which the stock is ½ better than last week's price.

BURT COMPANIES.

The Pacific Burt Company and the F. N. Burt Company are continuing to show earnings at higher levels. For the first eight months of the current year ending with August the Pacific Burt Company showed an advance of about 25 per cent. in earnings over last year, while the F. N. Burt Company also shows marked development; in fact the latter company for the period referred to shows about 100 per cent. increase over the corresponding period of 1915.

RIORDON.

Riordon sold at 116 and 116½ this week, which is the lowest quotation on this stock since the middle of May.

Thomas Adams, the expert in town planning of the Commission of Conservation, has been inspecting the layout of the model town which the Riordon Company are going to build on the shore of Lake Temiskaming in connection with the proposed sulphite mill and paper plant to be established at that point. It is expected that building operations will commence soon. It is proposed to make the town a model of its kind, areas being set aside for open spaces, social centres, schools and churches, in advance of construction.

NORTH AMERICAN.

The following comments on the present position of the North American Pulp & Paper Company have appeared during the week:

Interests close to the management of the North American Pulp and Paper Company state that that corporation is now in a good operating position, and that most of the difficulties in the way of increased production have been overcome. The Chicoutimi mill is doing well, and is turning out at the present time in the neighborhood of 340 tons of pulp daily. Within the next six weeks they expect to increase this to 400 tons a day. An adequate test made this month indicates net profits from this mill of about $4,600 a day, after allowing for possible depreciation and shrinkages. The St. Lawrence mill has had some troubles this summer, but the plant has been overhauled and is now equipped for the winter work, and should turn out 140 tons a day, yielding a profit little short of the Chicoutimi mill. Negotiations are still going on for the tidewater mill, and it is understood that the price has been satisfactorily settled. To prevent possible water shortages, a dam has been completed, which will assure the Chicoutimi mill of a good supply of water power.

Trading in North American shares has been a little more active this week, at around 3¾.

INTERNATIONAL PAPER.

It is stated that the International Paper Co.'s debt consolidation plan launched early this year has been a distinct success. Five direct and subsidiary issues have been cut way down and one paid off entirely, with the result of a net reduction of $2,246,000 in funded debt as compared with Dec. 31, 1916.

The company has exchanged large amounts of the present 5% and 6% International Paper Co. bonds for the new 5% refunding issue due in 1947, and has in addition purchased considerable amounts in the open market, so that the composition of the funded debt at present compares with the end of 1916 fiscal year as follows:

	Now.	Dec. 31,1916.
1st 6's, 1918....	$3,500,000	$8,132,000
Cons. 5's, 1935..	940,000	4,346,000
Hudson Co.'s 1918	1,037,000	1,500,000
Rumford, 1918..	292,000	350,000
Piscataquis, 1918	9,000	19,000
Ontario, 1918 ...	....	150,000
New Series, 1947	6,473,000	....
Total	$12,251,000	$14,497,000

International Paper's 1916 year was featured by the extinguishment of $3,-

using six steamers, which are being 400,000 notes payable outstanding on Dec. 31, 1915. The current fiscal period will see the practical amalgamation into one refunding issued of the half dozen direct and subsidiary issues, all but one of which .re absolutely due in 1918.

The International Paper Co. proposes brought from the Great Lakes for ocean service, to carry pulpwood from Chatham, N.B., to Maine ports. The six that have been chartered will bring one cargo each. At Chatham, owing to long lack of tonnage, a pile of pulpwood has accumulated that resembles a mountain.

MILLING

Excitement After Ogilvie Melon Subsides and Market Shows Little Change.

By J. L. RUTLEDGE,
Editor Canadian Grocer.

There is no appreciable change in the milling situation this week. The first excitement occasioned by the unexpected announcement of the Ogilvie melon has died down, but despite this fact, the movement of milling stocks remains at an exceptionally satisfactory level. The feeling that these stocks were not in a class with other profitable war investments suffered a severe shock, and the result has been a renewed activity in many securities. Just how long this may prevail in the light of the fact that the set price of wheat, and the probability of a set margin of profit (with the likelihood that these changes will prevent a repetition of these attractive profits) is hard to say. It is evident, however, that the public confidence remains strong and may outlive even the possibilities of lessened profits.

Business with the milling companies has been entirely satisfactory. Many of these companies are still working on contracts obtained some time ago, contracts that will be effective for some time to come, while mills which specialize on Canadian business report very good buying. The era of lassitude that followed on the heels of the suggestion that the Food Controller might fix a price on flour, has gradually disappeared. Buyers are beginning to realize that existing prices are in line with the present wheat price, and consequently many buying agencies that had been holding back pending further declines, have become reconciled to the idea that declines are not probable, and are once again in the market. The result is that a very satisfactorily brisk business is being done, a business that to the present has only been limited by the amount of grain available.

MAPLE LEAF.

During the present and the past weeks the stock of the Maple Leaf Milling company has again struck the stride of a few months previous. The public evidently expecting a repetition of the Ogilvie pronouncement was eager to buy. Buyers were plentiful and there was no dullness evidenced. Upwards of three thousand shares changed hands during the week at an average of from 108 to 110, with the bulk of the sales approaching the higher figure. Sales have been steadily climbing through the past days, and no sign of abatement in interest is to be found. In the preferred upwards of five hundred shares changed hands at figures ranging from 93½ to 97, though the bulk of the sales were made at 96⅞.

LAKE OF THE WOODS.

The stock of the Lake of the Woods Milling company was notable for the fact that it gave no indication of the better feeling existing in the majority of the milling stocks. No sales were registered during the week, the last selling price being 124¾ for the common and 116 for the preferred.

At the annual meeting of the Lake of the Woods Milling Company next Wednesday the earnings for the year are expected to show a considerable increase over that of the previous year. It is believed, however, that the relative increase will not equal that of Ogilvie's, as the latter possess more "side lines" than the Lake of the Woods, and are credited with much larger profits through accumulations of wheat. Although the mills had to shut down for some time last winter during the freight blockade, owing to the impossibility of getting the flour moved, the export trade of all the Canadian mills bulked large this past year. Altogether a new record by a large margin is expected to be established. The profit for the year 1916 was $525,141, compared with $518,920 for the year before, or a surplus of $153,141, as compared with $146,920.

OGILVIE FLOUR.

Ogilvie Milling company stock returned to about a normal movement this week, and, as it has not shown any great activity during the year, this movement was not large. The sales recorded, however, remained at 157, only one point below the high figure registered just after the announcement of the special dividend. In the preferred there was only very light trading which showed a decline of ¾ point. The annual meeting of the company will be held in Montreal on Thursday, October 11.

WESTERN CANADA FLOUR.

Reports regarding this company indicate that the general impression is that it has had a very satisfactory year. Business has been good, the only hitch in the business coming during the winter and early spring months, when supplies of grain were held up by car shortage. It is expected that there will be a very satisfactory showing when the annual meeting of the company is held.

MINING STOCKS

Break in Price of Bar Silver Gives Market a Noticeable Set Back.

While business on the mining exchange was not of large volume in the forepart of the week, the tone was good and prices generally exhibited strength. Then on Wednesday, silver had a two-cent recession, coupled with which came an erratic movement in Big Dome. On Thursday, the price of silver again declined, dropping five cents to 1.01½. This naturally unsettled the market and stocks, especially the silver issues, fell back pretty generally.

The average day's business on the Standard Exchange ran to 115,663 shares, this comparing with 143,588 shares the previous week and 246,162 shares for the week before that. The record for each day, together with the price of silver, was as follows:—

	Transactions in Shares	Silver
Friday, Sept. 21..	131,310	1.08½
Saturday, Sept. 22	90,609	1.08½
Monday, Sept. 24.	125,050	1.08½
Tuesday, Sept. 25	110,927	1.08½
Wedn'd'y, Sept. 26	129,535	1.06½
Thursday, Sept. 27	106,550	1.01½

The price changes in the principal active issues were as follows:—

	Close Sept. 20	Close Sept. 27	Change
Adanac	.19	.18½	— ½
Beaver	.40½	.39½	—1
Dome Mines	9.90	8.85	—5
Dome Ex.	.15	.13½	—1½
Hargraves	.14¾	.14	— ¾
Hollinger	5.15	5.25	+10
McIntyre	1.50	1.48	—2
Nipissing	9.35	9.40	+5
Vipond	.26½	.26¼	— ¼
Newray	.75	.73	—2
Temiskaming ...	.35	.35¾	+ ¾
West Dome	.17	.17	...

Ore shipments from the Cobalt camp last week amounted to 18 cars, containing approximately 1,329,021 pounds. This was the second highest amount so far this year. The summary for the week was as follows:—

Shipper	Cars	Pounds
Nipissing	8	570,185
McKinley-Darragh .	3	223,467
La Rose	2	191,566
Dom. Reduction	2	172,000
Hudson Bay	1	63,960
Temiskaming	1	65,828
Penn Canadian	1	40,015
Total	18	1,329,021

ADANAC.

The following opinion on Adanac given out by J. T. Eastwood & Co., the Toronto mining brokers, has received a good deal of publicity during the week: "This is an especially attractive junior silver of the Cobalt list and is to be remarked for both mine and market developments of a high order. The management has recently mined some very rich pockets of ore on the 400 level. Specimens have been reported to run 3,500 ounces to the ton, which means of course at to-day's market a corresponding number of dollars. The richness of the main vein at the 300 level is said to be traceable for a length of 160 feet, ranging in width from three to nine inches, the last 100 feet to the north showing values ranging from 1,500 to 5,000 ounces. Ores on both 300 and 400 levels are classed as among the rich showings of Cobalt. The developments on these levels are serving to place Adanac more in the category of a mine than a prospcet. The friends of Adanac are already claiming that it will develop as rich a mine as Timiskaming or Beaved, in which section of Cobalt it is located. I think the silver share list is overdue for an up-move, and I see no reason why Adanac should not take a most prominent part in this movement."

In spite of this view, Adanac shares have receded during the week from 19½ to 18½.

CONSOLIDATED SMELTERS.

Ore receipts at the Trail Smelter for the second week of September do not bear out the promise of the first week. The total fell back from 10,864 to 8,581 tons. Receipts from Centre Star, Sullivan and Emma were all less and there was also a decline in the quantity coming in from outside mines. The showing in comparison with last year is as follows:

Week ending.	1917.	1916.	Differ.
August 7 ...	8,184	10,111	— 1,927
August 14 ..	7,541	10,888	— 3,347
August 21 ..	8,327	11,481	— 3,154
August 31 ..	14,082	15,134	— 1,052
Sept. 7....	10,864	8,286	+ 2,578
Sept. 14	8,581	10,113	— 1,532
To date	368,300	462,356	—94,056

KERR LAKE.

Kerr Lake Mining Company, Limited, operating company, reports for the year ended August 31, 1917, a total income of $1,909,465, increase $623,256; net $1,343,475, increase $329,774; dividends $666,000, decrease $6,000; surplus, $667,475, increase $535,774. During the fiscal year there were produced 2,551,345 ounces of silver at a cost of 11.65 cents per ounce. Positive ore reserves are estimated to contain 3,120,400 ounces.

There has been no trading in Kerr Lake shares during the week, the close last week being at 6.00.

MINING CORPORATION.

The stock of the Mining Corporation of Canada was listed on the Standard Exchange last Friday and the first trading occurred on Monday. The corporation is the second largest silver mining company in Canada. During the calendar year, up to August 12, it produced 3,075,745 ounces. As this compares with a total for the whole of 1916 of 4,457,440 ounces, the rate of production is well above last year in actual silver. Ore reserves have been maintained around 9,000,000 ounces, with tailing beds of 1,900,000 ounces.

NIPISSING.

Nipissing shares touched 9.50 a share on Monday, this being the high point for the present movement. The 9.50 level was maintained throughout the week, except on Thursday when there was weakness and the price fell back to 9.40.

OPHIR.

Ophir shareholders at a special meeting last week ratified the proposal to increase the capital stock from $1,000,000 to $1,500,000. It was stated at the meeting that sufficient of the new stock had been underwritten to provide for uninterrupted development of the property for the next year.

During the week Ophir sold up to a high of 13¾, but on Thursday fell back a point to 12¾.

SCHUMACHER.

For the 26 days ending September 15, the Schumacher mill treated 3,400 tons of ore, resulting in the recovery of $23,000 in gold. Operations are now going forward on a more extensive scale than ever before in the history of the mine. The enlargements being made to the mill are nearly complete and by the end of October the entire plant should be running and treating about 200 tons per day.

TECK-HUGHES.

It is reported from Kirkland Lake that the Teck-Hughes mill is now treating 80 tons of ore a day, with a possibility of the handling of 100 tons in the near future. The mill is said to be giving complete satisfaction.

The stock opened the week at 45, but sold back on Thursday to 43.

TOUGH-OAKES.

During August, approximately 3,400 tons of ore were treated at the Tough-Oakes mill. This was at the rate of 113 tons per day and compares quite favorably with previous performances. Developments at the various points of operation underground are understood to be satisfactory.

TRANSPORTATION

Break in Canadian Pacific Was a Feature of the Trading of the Week.

A break in the price of Canadian Pacific during the week may be taken as an indication, to some extent at least, of the general effect upon Canadian railway profits of the increased cost of operation, to which higher wages, more costly fuel and advances in the values of other supplies are contributing factors. There is some apprehension that with a continuation of these increases—and a change in the market not to be looked for while the war lasts—and neglect by the Railway Commission of the demand of the railways for increased rates, net returns for the benefit of the shareholders may be materially reduced. Also there is the more general problem of maintaining efficient service in the transportation of grain and manufactured products in the general interests of the nation. Efficient transportation is a very important matter under the prevailing conditions.

The earnings of the United States railways are showing larger relative increases than the Canadian roads. The earnings of 24 United States roads for the second week of September aggregated $14,779,010, a net advance of $1,456.22 or 10.93 per cent.

The weekly statement of earnings of the three transcontinentals for the third week of September is more encouraging than for the six weeks before, inasmuch as all three show increases. During August and the first half of September Canadian Pacific fell behind last year, but this past week it ran ahead $185,000, wiping out the drop of $50,000 for the first half and standing $135,000 ahead of date this month. The percentage increase for last week was 6.4.

The Grand Trunk, while it does not show the same relative increase of one week ago, still is satisfactory with $25,642, while the Canadian Northern is $44,200 ahead as compared with $83,000 last week.

The total for the three roads is $254,842 above the corresponding week of last year, which was itself high water mark for that period. The figures are:

	Sept. 15-21		Change.
C. P. R.	$2,964,000	+	$185,000
G. T. R.	1,336,312	+	25,642
C. N. R.	770,200	+	44,200
	$5,070,512	+	$254,842

CANADIAN PACIFIC.

During the week Canadian Pacific declined to 148, the low point of the year, but later showed a measure of recovery. The decline has caused some uneasiness among shareholders, particularly as it has not been adequately explained. A director of the company informed THE FINANCIAL POST that in his opinion it was merely market operations—the work of the professional traders. However, in addition to this theory it cannot be denied that the increase in the cost of operation is having a direct effect upon the net returns and these costs may be expected to continue to increase while the abnormal conditions continue. On the other hand there is no intimation that there will be relief in the near future in the matter of freight rates.

With reference to the weekly decrease in earnings which the C.P.R. has recently been experiencing, with heavy operating costs still showing and the outlook that net earnings may not be satisfactory for some time, the New York Financial World points out that when the new wheat begins to move conditions will probably get back to normal. It is suggested that possibly the heavier selling and lower prices for the stock represent urgent selling by speculators, rather than by investors who see nothing alarming in the prospects for this big system.

The Canadian Pacific Railway company reports gross earnings for the week ending September 21, amounting to $2,964,000 against $2,779,000 for the corresponding period in 1916, an increase of $185,000, or 6.6 per cent. Following are comparative figures:—

	1917	1916		Change	%
Sept. 7..	$2,666,000	$2,679,000	—	$13,000	5.4
Sept. 14..	2,691,000	2,728,000	—	37,000	1.3
Sept. 21..	2,964,000	2,779,000	+	185,000	6.6

CANADIAN NORTHERN.

Gross earnings of the Canadian Northern Railway system for the third week in September amounted to $779,200 compared with $726,000 for the corresponding period in 1916, an increase of $44,200 or 6.0 per cent. From July 1, to date the earnings amounted to $9,487,400, which is a decrease of $134,600 as compared with the figures for the same period a year ago. Following are comparative figures:—

	1917	1916	Inc.	%
Sept. 7......	$715,800	$708,900	$6,900	.9
Sept. 14......	751,300	668,000	83,300	12.4

GRAND TRUNK.

The Canadian railways will watch closely the result of the two applications for increased rates that are now before the Railway commission, as on a favorable decision will depend the lengthening out of the gap that separates operating expenses from gross earnings. In a statement issued by A. W. Smithers, chairman of the Grand Trunk System, he says that as the London money market is now closed to the Grand Trunk Pacific, it will become a very serious matter for this road and other Canadian lines if the freight and passenger rates are not increased. Railway rates, he adds, have remained the same since the beginning of the war, while the cost of locomotives, passenger and box cars has almost doubled, to say nothing of the advance in wages.

"At the present time we are doing an immense volume of business and we are using our equipment to the limit, but we are getting nothing for it. The financial statement for the first half of the year, when issued, will be the greatest in the history of the company, while the net earnings will be the smallest.

"The recent requests of the railways in the United States and Canada for 15 per cent. increase is very reasonable. Such an increase would not compensate the railways for the extraordinary increases in the cost of operation, but would make it possible for them to bear their losses."

The Grand Trunk Railway company reports gross earnings for the third week in September amounting to $1,336,312 as compared with $1,310,670 for the corresponding period in 1916, an increase of $25,642 or 1.9 per cent. Comparative figures for the first three weeks of September follow:—

	1917	1916	Inc.	%
Sept. 7....	$1,317,980	$1,276,061	$41,919	3.2
Sept. 14....	1,300,745	1,253,629	47,116	3.7
Sept. 21....	1,336,312	1,310,670	25,642	1.9

Earnings of the Grand Trunk Pacific for the last ten-day period in August amounted to £25,490 as compared with £20,417 for the corresponding period a year ago, an increase of £5,073, while from July 1, to the end of August the earnings were £200,581 against £142,455, an increase of £58,126.

CANADA STEAMSHIPS.

The negotiations between the Board of Grain Supervisors and the shipping men has been settled. THE FINANCIAL POST understands, by the fixing of the price for carrying grain from Port Arthur and Fort William to Georgian Bay ports at 4 cents a bushel. This is a little less than the vessel men were holding out for. As we stated two weeks ago they considered that the price should be 4½ cents, as the rates last season had run between 3 and 5½ cents. The rate that has been established for the United States carriers is 4½ cents between Upper Lakes ports and Buffalo. The 4 cent rate will be effective until Nov. 30.

An official of Canada Steamships stated to THE FINANCIAL POST that there had been practically no movement of grain so far this year, and that the shipments were about ten days late compared with last year. The cause did not rest with the railways for the wheat was not ready to ship. Last year the first wheat was moved on Sept. 8. However, the arrangements for handling the great crop were of such a nature that it was expected that the shipments before the close of navigation would at least equal the record of 1915, when the fall movement reached a total of 167,000,000 bushels.

At present Canada Steamships has all the boats can do to handle the other freight that is offering, ore, etc. That there will be a fair margin of profit on wheat at the 4 cent rate is not denied, so that the reduction from the 4½ cent. figure need not depress those who have a belief in large profits for Canada Steamships.

TEXTILES

Cotton Textile Securities Registered Advances—Raw Cotton Market Still Rushing Up.

There was a curious mixture of strength and weakness in textile securities this week, with some stocks showing advances, and others a decline over the past week. And the one and the other were fairly well marked. On the whole the cotton textiles held strong and were inclined to register from 1 to 1½ points increase.

Up to two weeks ago the raw cotton market was dropping steadily, and in a few weeks had gone down 8 cents a lb., the price a whole pound was selling for some time after the war began. Indeed the market reached so low a point that there was a feeling that the textile mills would be compelled to lower the prices of the made-up fabrics, especially as it was the general impression that the market had not seen the low level. This feeling tended to check buying. Since that time, however, there has been both a swift and steady advance, so that this week cotton was quoted at 7 cents above a fortnight ago. It sagged about one cent later in the week, but spot was around 25 cents. The unexpected rise stimulated buying of fabrics, as it suggested that further advances might be made to the long-lingering purchaser. While this condition is favorable for the Canadian mills the unfavorable factor is that every class would welcome the change to reduce prices of goods to suit the time of readjustment and they cannot—with cotton on the upgrade.

The wool situation in Canada has been improved slightly by the arrival of a portion of the allotment from the Antipodes. The United States is still sending up S.O.S. calls for the 45,000-bale release from Australia.

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

"Industry and thrift have annexed thereto the fairest fruits and richest rewards."
—Barrow.

Branches and Connections Throughout Canada
Head Offices and Nine Branches in Toronto

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital ....$ 5,000,000
Reserve 3,400,000
Total Assets .... over $109,000,000

John Galt ....President
H. B. Shaw .... General Manager
J. W. Hamilton...Assistant General Manager

This Bank, having over 310 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch. New York Agency, 49 Wall St., New York City. Geo. Wilson, Agent

CORRESPONDENCE SOLICITED.

The Spanish River Pulp and Paper Mills, Limited

ANNUAL REPORT, 1917

DIRECTORS.

G. H. MEAD, Sault Ste. Marie, Ontario, President.
P. B. WILSON, Sault Ste. Marie, Ontario, Vice-President.
T. GIBSON, Toronto, Ontario, Secretary.
B. TOOKE, Montreal, Quebec.
C. E. READ, Ottawa, Ontario.
T. WATSON SIME, Toronto, Ont.
W. E. STAVERT, London, England.
J. G. GIBSON, Assistant Secretary.

Sault Ste. Marie, Ontario, 6th September, 1917.

To the Shareholders of
The Spanish River Pulp and Paper Mills, Limited.

The following is submitted as a report of the operations of The Spanish River Pulp & Paper Mills, Limited, including the Lake Superior Paper Company, Limited, for the year ending June 30th, 1917:

Summary of Income Account:

Total Net Revenue for the Year	$2,117,734
Less Reserved for Depreciation	269,821
	$1,847,913
Less—Interest on Funded Debts and Other Loans	718,409
Total Net Surplus for the Year	$1,129,504
Balance of the Consolidated Profit and Loss Accounts as at 30th June, 1916	699,621
	$1,829,125
Out of which there has been appropriated towards the extinction of the Deficiency Account a sum of	835,399
Leaving to be carried forward	$ 993,726

Your directors have resolved upon the presentation of a Consolidated Balance Sheet showing the united position of both companies, believing such a statement to be more comprehensive and satisfactory than the separate balance sheets hitherto issued.

The increase shown in Net Revenue amounting to approximately $775,000, is due to higher prices obtained for newsprint paper during the past twelve months and to the increased output of the plants, combined with greater efficiency in the operation of all departments of the business. This increased efficiency is the result of the improvements and betterments of the plants, referred to in the last Annual Report as being important to the Company's further development.

It has been deemed advisable to increase the Depreciation Charges for the year in consequence of the present high cost of construction in the recently made improvements as well as the increased wear and tear upon all equipment when continuously operated at maximum capacity over a considerable period.

The Property Account as at 30th June, 1917, shows that there has been expended during the year $1,500,000 on enlargements, improvements and betterments, increasing the capacity of the combined mills approximately 70 tons per day, and the additions to be completed during the present summer and fall will still further increase production as well as improve the efficiency of the plants.

The difficulties of obtaining pulpwood and all other materials, including repair parts, etc., necessitate the carrying of unusually heavy stocks, which have increased over June 30, 1916, by $1,180,000, entailing further bank advances.

Throughout the year during which prices of all grades of paper have been unusually high, the market at times verging upon panic figures, your Company maintained its principle of conservative selling and protected its customers by reserving for their use its entire production, refusing to dispose of any portion of its output at so-called spot prices. The wisdom of this course has been proven by the undoubted increase in the confidence of the Company's customers in the stability of its selling policy.

In spite of every effort to deal fairly with the situation, your Company, along with other similar companies in both Canada and the United States, has been subject to attack by certain publishers, and, as a result, investigation by the Governments of both countries, but your directors feel that such attacks have been made because of lack of proper or sufficient knowledge of the very grave situation in which the pulp and paper mills of the continent have found themselves in consequences of past years of unprofitable operation, as well as recent months of war conditions, and that when the facts are finally determined the position of the manufacturers will be justified.

Because of the many uncertainties of the times and the serious conditions surrounding all industry, it is impossible to forecast the coming year, but with the same loyal support of all employees that the Company has received in the past, which the Directors wish to again acknowledge, the Company should continue to look forward with confidence to the future.

For the Board,
GEO. H. MEAD,
President.

THE SPANISH RIVER PULP AND PAPER MILLS, LIMITED
LAKE SUPERIOR PAPER COMPANY, LIMITED

CONSOLIDATED BALANCE SHEET AS AT 30th JUNE, 1917

ASSETS.

Property Account—	$21,368,145.01	
Net Additions during year	1,499,947.72	
		$22,868,092.73
Securitities of Other Companies Owned		11,400.00
Current Assets—		
Pulpwood	$ 2,593,948.50	
Woods Operations — Equipment, Stores, etc.	371,758.56	
Mill Stores and Supplies	1,122,417.36	
Paper Mill Products	132,851.01	
Accounts Receivable, after providing for Doubtful Debts	857,931.46	
Cash in Banks and on Hand	621,696.95	
		5,700,603.84
Securities Purchased for Sinking Fund Payments		22,565.79
Insurance Premiums Unexpired and Payments in Advance		31,425.07
Alterations and Improvements to Property during Year, Less $45,383.07 Written off		136,149.22
Deferred Discount Charges, Balance to be Written off		151,871.44
Deficiency Account, Balance to be Written off		500,000.00
Total Assets		$29,422,108.09

Notes:—(1) The Spanish River Pulp & Paper Mills, Ltd., guarantees the principal and interest of the bonds of the Lake Superior Paper Co., Ltd., and the Ontario Pulp & Paper Co., Ltd.

(2) Under the arrangement for postponement of bond interest, the bondholders of The Spanish River Pulp & Paper Mills, Ltd., the Ontario Pulp & Paper Co., Ltd., and the Lake Superior Paper Co., Ltd., are entitled prorata to ten per cent. of profits from time to time available for dividends.

(3) The whole of the Preferred and Common Stock of the Lake Superior Paper Company, Ltd., is owned by The Spanish River Pulp & Paper Mills, Ltd.

LIABILITIES.

Capital Stock:			
Common—Authorized		$10,000,000.00	
Less: Unissued		2,000,000.00	
			$ 8,000,000.00
Preferred 7% Cumulative — Authorized		10,000,000.00	
Less: Unissued		4,300,900.00	
			5,699,100.00
Note:—Dividends on $3,000,000 of Preferred Stocks are Cumulative from 1st July, 1913, and on balance from July 1st, 1914.			
First Mortgage 6% Bonds— The Spanish River Pulp & Paper Mills, Ltd.:			
Authorized and Issued	$2,500,000.00		
Less: Redeemed to Date	172,986.60		
		2,327,013.40	
Ontario Pulp & Paper Co., Ltd.: Authorized.$2,500,000.00			
Issued	$1,500,000.00		
Less: Redeemed to Date	100,900.00		
		1,399,100.00	
Lake Superior Paper Co., Ltd.: Authorized and Issued		5,000,000.00	
			8,726,113.40
Second Mortgage 6% Debentures, £330,000			1,606,000.00
Deferred Interest on Bonds and Notes Due in 1922			1,331,209.80
Mortgages on Newly Acquired Property			217,850.00
Current Liabilities:			
Loans from Banks (Secured by Lien on Forest Products and Accounts Receivable)		$ 950,000.00	
Accounts and Bills Payable		1,033,637.24	
Current Interest on Bonds and Debentures due 1st July and 1st Sept., 1917		243,903.40	
			2,227,540.64
Depreciation Reserve			517,323.57
Miscellaneous Reserves			103,244.87
Profit and Loss Account—			
Consolidated Credit as at 30th June, 1916		$ 699,621.64	
Add Net Profit for the Year after deducting all interest charges and providing for Depreciation of Plants		1,129,503.60	
		$ 1,829,125.24	
Less: Written off Deficiency Account		835,399.43	
			993,725.81
Contingent Liabilities ..$294,270.00			
Total Liabilities			$29,422,108.09

We have audited the books and accounts of The Spanish River Pulp and Paper Mills, Limited, and of its subsidiary, the Lake Superior Paper Company, Limited, for the year ending 30th June, 1917, and certify that the above Consolidated Balance Sheet is properly drawn up and shows a true and correct view of the state of the combined Companies' affairs and the result of the operations for the year as shown by the books and according to the best of our knowledge and the explanations given us.

All our requirements as Auditors have been complied with.

5th September, 1917. PRICE, WATERHOUSE & COMPANY, Chartered Accountants.

THE
COLONIAL INVESTMENT AND LOAN COMPANY

Capital Authorized. - $5,000,000.00
Capital Paid Up - - $2,453,995.83
Assets - - - - - - - $3,527,985.91

HEAD OFFICE:
15 Richmond Street West
TORONTO, ONT.

Better Than Bonds

COLONIAL 5½% Debentures have advantages: They can be made to mature at any desired time, to suit the purchaser's requirements; the security is beyond any doubt; they are available without brokerage charges; and they can be had in sums of $100 and multiples thereof.

Interest Coupons, payable to bearer and half-yearly, are attached.

Colonial Debentures meet admirably the needs of those having funds to invest for definite periods of from 1 to 10 years.

Write or phone for full information.

NEWS OF SECURITIES

Continued from page 3

It is reported that the South African clip will be commandeered by the British Government.

Some rather bitter comment is being heard among the woolen mills over a blunder made by the Imperial Government in estimating the quantity of wool available in the United Kingdom. A rough guess only was made which, when tested by experts, proved many millions of pounds short. In the meantime the woolen mills had been ordered to work shorter hours in order to conserve the supply. When the error was discovered they were allowed to revert to full time, but it is felt in Canada that the restrictions on wool reaching here were probably the more stringent on account of the blunder, which not only made it more difficult to secure a supply but forced up the price far higher than was warranted by real conditions.

A number of the woolen mills have received orders from the United States, as referred to in another article in this issue, and these will tend to fill in any slackness that might develop with a lessened demand for domestic purposes.

In Great Britain a number of textile unions have demanded a further war bonus, ranging from 30 to 50 per cent of the existing rates of wages. This has been refused by the Employers' Federation unanimously, and the employees are asked to hand in strike notices effective Oct. 4.

If this strike develops, it will decrease the export to Canada, and the domestic mills will, in addition, be called on to supply the deficit owing to the United States mills being engaged on huge war orders.

	Close Sept. 20	Close Sept. 27	Change
Can. Cot., com.	49½	51	+1½
Dom. Tex., com.	81	81	...
Mon. Knit., com.	35	35	...
Penmans, com.	69	69	...
Do., pref.	82	82	...

CANADIAN CONVERTERS.

Sales of lines for Spring, 1918, are being made by Canadian Converters in very satisfactory volume at the present time, better than had been expected, as was reported to THE FINANCIAL POST. On the other hand sales for immediate delivery, that is, for Fall lines, are hardly up to expectations. It is believed that these will improve in a few days, as the selling season for the retailer arrives. The factories for men's, women's and children's lines are pretty well caught up after last year's rush. The firm is in a strong position so far as their "raw materials" are concerned as they bought far ahead and were not left in the lurch to any great extent owing to the slowness in deliveries of the fabric mills. There has been no trading in the stock since last July, when there was a rally following the annual report, which showed the best year in the company's history. With a profit of $204,004. At that time the stock rose from 40 to 43.

CANADIAN COTTONS.

The addition of the United States war order for duck, supplementing the large contracts already on hand for domestic supplies, is keeping the Canadian Cotton Co.'s mills busy. Owing probably to the influence of the new order that brought the company into the limelight for a time, especially its action in refusing more of a similar order, sales have been more active, and a better price was reached this week, at 51, than has been secured by the stock since the latter part of July. This is an advance of 4½ points over the low that was reached two weeks ago. On Monday the stock was ex-dividend, 1 per cent. on common, and 1½ on preferred, and none came out.

PENMANS.

The common stock shows no signs yet of returning to 70 and 71 of June, July and August. A few shares were sold this past week, at 69½, but later the price dropped to 69, the same as last week, and later to 68½. The preferred sold at 82, 1 point below last week and 2 points lower than three weeks ago. The regular dividends were declared: 1% on common, payable Nov. 15 to holders of record Nov. 5; and 1½% on preferred, payable Nov. 1, record Oct. 20.

DOMINION TEXTILE.

Orders from the United States are now coming regularly to the Dominion Textile Company for duck and webbing, and as is stated elsewhere are well on the way to the $2,000,000 mark. Indeed, the mills are in receipt of all from this source that they can turn out at the present time.

Speaking of the general business of the mills F. G. Daniels, the General Manager, stated that orders for Spring were rather "spotty," some weeks they were strong, in others quiet, and thus it was rather difficult to gauge the situation accurately. The mills were gaining on their arrears, and this was having the effect of stocking up the jobbers, so that the new orders naturally were not so large. The supply of female labor was improving, but the enforcement of conscription was having the effect of driving some of the young men into the country districts.

There were no sales of preferred this week. Two weeks ago this was quoted at 101½. The common, which last week closed at 81, opened this week at 81½ and closed ½ point up at 82. The sales were light.

ELECTRIC RAILWAYS

Toronto Railway Break a Feature of the Trading of the Week.

Generally speaking, there has been no particular change in the market situation as affecting Street Railway and other public utility stocks—no change meaning that the tendency to gradually readjust prices to lower levels has continued. Toronto Railway proved an exception by recording a wide break under small pressure, but this was not extended to the other securities. The American group showed a very fair tone, but the strength which was in evidence at the end of last week had departed. Light and power stocks were generally somewhat easier.

Followers of the hydro controversy as between the Hydro-Electric Commission and the private power corporations will be interested in the action at Osgoode Hall by the Electrical Development Company against the Commission for what practically amounts to a technical interpretation of the agreement between the company and the provinces. The particular clause of the agreement referred to reads: "'A license irrevocable to take from the waters of the Niagara River within the park, a sufficient quantity of water to develop 125,000 electric or pneumatic horse-power for commercial use." As THE FINANCIAL POST understands the matter, the particular point concerns the expression "commercial use," and what it may mean as between the power developed and marketed.

The acute position in which the electric railway companies are finding themselves is indicated in a pamphlet distributed by the electric railways of New York State which have been asking for permission to increase their fares. There has been a constant increase in the cost of most everything entering into the operation of the companies while the price they are able to charge for fares is fixed by legislation and established custom. Figures are quoted from the earnings of some of the major street railroad companies of the State to corroborate the dangerous contingency these properties confront unless they are permitted to increase their fares as an offset to their enlarged expenses. Unless this relief is granted the question is asked: "What if the street car companies go broke?"

DULUTH SUPERIOR.

The gross earnings of Duluth Superior Traction Co. for the second week in September were $31,770, a gain of $7,599. For the month to date, $64,404, a gain of $9,299. The gross for the year to date amount to $1,100,674, a net gain of $148,106 over 1916 figures.

DETROIT UNITED.

The gain of 4¼ points last week, and the continued strength this week, caused some speculation as to the reason for activity in Detroit United Railway.

One explanation was that the "floating" stock that remains in Canada at the present time is down to the lowest point ever reached since it became a factor on the Exchange in Montreal. It is said that some buying is taking place for Detroit interests. At the same time the earnings so far this year are sufficient to take care of the dividends. On Thursday the sales were fairly heavy at 111, and 111⅛ was reached during the day.

TORONTO RAILWAY.

The decline of Toronto Railway to 64⅛ this week—a drop of about seven points in two days—was the market sensation. It came with very narrow trading and as a direct reflection of the uncertainty which has long prevailed in the public mind as regards this security. With operating expenses increasing in such a fashion that there are rumors of a dividend reduction, heavy obligations maturing in the near future and the life of the franchise expiring in the course of a few years, the situation is so clouded that the liquidation of a few shares led to the development of marked softness. As to the extent that the decline was warranted by the actual position of the company there is more or less uncertainty, owing to the lack of information obtainable as to the earnings of subsidiaries and the possibilities of these earnings continuing the dividend after the expiration of the franchise; also Hydro competition and the increasing popularity of public ownership must not be ignored. The shareholders of the company have had to be content with very general information in the annual statements and these have not been amplified by the reports of the officers of the company. At the last annual meeting the attitude of Sir William Mackenzie was that it would not be good policy to further reveal the position of the company at the present time and the shareholders had to be satisfied with the more or less definite assurance that the then earnings from subsidiaries were sufficient to reasonably warrant the continuation of the dividend in the event of the tramways franchise not being renewed.

THE FINANCIAL POST is inclined to the opinion that the decline was unwarranted and that it was the result of the prevailing uncertainty and its effect on the marketing of a small amount of the stock. However, there is not available the information upon which a definite opinion could be offered. Inquiry on Friday at the office of the general manager, R. J. Fleming, indicated that he was "not available" to discuss the matter, but the general information was given that so far as that office was concerned there was nothing significant in relation to the decline. Further it was stated that there was no information at that source to indicate that the dividend would be reduced or that there would be any change of policy in that connection.

Although the July earnings of the Toronto Railway company and its subsidiaries increased by $86,000, the total being $954,192 as compared with $867,789 in 1916, with the increase in working expenses, maintenance charges, etc., net earnings for the month at $426,904 showed a decrease of $4,150 compared with July a year ago. For the year to the end of July gross earnings at $6,827,776 showed an increase of $624,788, while net earnings for the same period at $3,246,074 showed an increase of $215,581. In view of the latter increase for the seven months the decrease in net during July is very significant. Following are summarized figures for the year to date:

1917	Gross	Expenses	Net
January	$1,002,469	$531,668	$470,801
February	932,567	491,351	441,216
March	991,192	515,586	475,606
April	970,367	490,524	479,843
May	992,460	516,164	476,296
June	984,529	509,121	475,408
July	954,192	527,288	426,904

PORTO RICO.

The Porto Rico Railways company reports gross earnings for the month of August amounting to $75,153, which is an increase of $14,625 over the corresponding month a year ago. Net earnings for the month were $33,107 compared with $21,148, an increase of $11,958 or 56.54 per cent. For the eight months of the current year the gross earnings amounted to $598,039, an increase of $35,014 or 6.21 per cent., while net earnings were $268,009, a decrease over the corresponding period in 1916 of $13,436 or 4.77 per cent. Comparative figures follow:—

	1916	1917	Inc.
August—			
Gross	$60,528	$75,153	$14,625
Net	21,148	33,107	11,958
Eight Months—			
Gross	$563,025	$598,039	$35,014
Net	281,445	268,009	†13,436

†Decrease.

DULUTH-SUPERIOR.

During August the gross earnings of the Duluth-Superior Traction company amounted to $139,687 as compared with $126,819 for the same month in 1916, an increase of $12,868. Operating expenses were $86,671, an increase of $9,368 or 12.1 per cent., while net earnings for the month amounted to $53,016, an increase of $3,500, or 7.0 per cent. For the eight months of the present year the gross earnings were $1,042,867, compared with $904,062 for the corresponding period a year ago, an increase of 15.3 per cent. Net earnings were $378,855, against $323,711, an increase of 17.0 per cent. For August the figures are as follows:—

August—	1917	1916		Change	%
Gross	$139,687	$126,819	+	$12,868	10.1
Expenses	86,671	77,303	+	9,368	12.1
Net	53,016	49,516	+	3,500	7.0

WINNIPEG ELECTRIC.

On the strength of the announcement of a new operating head for the Winnipeg Electric Railway Company, the stock of that concern showed marked improvement, moving up to 50, which is the best showing it has made since the latter part of May. As high as 55 was asked, but late quotations were 50 asked and 45 bid. The strength developed supports the opinion which has been expressed in this column that the present position of the stock is the result of decreased earning power and financial difficulties rather than any marked change in the asset value, the stock being in a position to show response to any development which may indicate an improvement in earnings. The announcement of the appointment of a new manager, together with the prospect of an improvement in the conditions as regards jitney competition, was evidently taken as a good omen; however, the realizing which followed the advance referred to was to be expected.

The new jitney by-law will come into force on the 1st of October. The City Council committee on surety bonds will demand of the jitney company; That it has $10,000 in cash and conforms to the regulations of the Provincial Insurance Act; that if required a financial statement of the company's affairs shall be submitted to the Council each month; that notice be given of any claims for damages, and that the committee be given additional surety in the event of damage claims which may be beyond the guarantees provided. It is believed that the effect of the licensing measure will be to put a large number of the jitneys out of business.

LONDON AND ERIE.

The London City Council has been informed, according to a dispatch from that city, by Geo. B. Woods, president of the London and Lake Erie Railway, running between London and Port Stanley, that the company is willing to accept sixty cents on the dollar of the bonded indebtedness of the road, or $505,000 for the railway. In the event of the offer not being accepted, he says that the system will be "scrapped." The matter has been referred to the London Railway Commission for a report, and if this is favorable the matter will probably be put to the ratepayers in January.

BRAZILIAN.

Considering the general dullness of the market there has been a fair volume of business in Brazilian Traction this week and prices have been fairly well maintained. A high for the recent movement of 40¾ was reached on Friday last after which the price eased off somewhat, but 40 was again touched in the late trading.

WINNIPEG ELECTRIC.

The conditions which the Winnipeg Electric Railway company has been encountering as regards cost of operation and competition for traffic are reflected in a startling manner in the earnings record for the year to date. In January the net earnings showed a decrease of $19,953 and this has been growing steadily month by month until in July there was a decrease of $43,240, the total for that month being only $31,347 as compared with $74,587 in 1916. For the year the total net earnings amounted to $467,244 as compared with $705,095 for the corresponding period in 1916, the decrease being $237,851.

That the construction referred to is largely the effect of operating expenses, particularly during the last couple of months, is indicated by the fact that the gross earnings in July showed an increase of $109 and a decrease of only $460 in June. However, with the exception of July and January larger decreases have been shown with the result that the gross earnings for the seven months were $27,995 behind the corresponding period of 1916. Following are comparative figures:—

	1916	1917		Change
Net				
Jan.	$108,475	$88,522	—	$19,953
Feb.	108,250	78,510	—	29,740
Mar.	111,900	83,641	—	28,259
Apr.	111,035	71,415	—	39,620
May	103,277	64,145	—	39,132
June	87,571	49,664	—	37,907
July	74,587	31,347	—	43,240
Gross				
Jan.	$297,560	$319,945	+	$22,385
Feb.	293,250	280,717	—	11,385
Mar.	296,500	293,094	—	3,406
Apr.	[illegible]	265,594	—	16,904
May	[illegible]	[illegible]	—	17,286
June	[illegible]	[illegible]	—	460
July	[illegible]	[illegible]	+	[illegible]

LIGHT AND POWER

ALABAMA POWER.

The recent official statement of earnings of the Alabama Power Company show this concern to be making very satisfactory progress in expending its business and profits and this comes at a time when even electric power propositions here and there are finding it difficult to return a volume of net earnings which is in proper ratio to growth of gross. For this reacon W. G. Neale, writing in the Boston Commercial expresses the opinion that the five-year 6 per cent. gold notes of the company merit the attention of the investing public. The notes are quoted around 99½ to yield about 6⅛ per cent. For the twelve months ending July 31, Alabama Power earned $1,832,122 gross against $1,294,460 for the corresponding period of 1916. This is an increase of $537,662 or about 41 per cent. Expenses and taxes increased only $141,169 and consumed 34.8 per cent. of gross as compared with 38.5 per cent. for the twelve months ending July 31, 1916. This increased operating economy together with a most favorable growth in volume of business being handled resulted in a gain for the period of $396,492 in net or about 50 per cent. Mr. Neale considers that these figures indicate a margin of earning protection which is now ample from the safety standpoint there being available an amount of net income for the year which will equal more than twice the annual interest on the outstanding funded debt including the note issue.

CANADIAN WESTERN GAS.

There was another falling off in the earnings of the Canadian Western Natural Gas, Light, Heat and Power company for the month of July, the earnings being only $35,341 as compared with $48,461 in June. However, the decline was a seasonable one and a substantial improvement was shown over July, 1916, the increase being $5,122. Following are comparative figures for the year to date:—

	1916	1917		Change
January	$152,540	$141,748	—	$10,792
February	132,282	138,496	+	6,214
March	95,689	114,311	+	6,214
April	65,237	65,598	+	8,886
May	56,712	65,598	+	8,886
June	45,556	48,461	+	2,905
July	30,209	35,331	+	5,122

CIVIC INVESTMENT.

Civic Investment continues to show a settling tendency. Last week there was a decline to 72¾ and this week it went down to 72. The volume of trading was small.

CONSUMERS' GAS.

Consumers Gas has during the past fortnight declined below the 150 mark which it has so long maintained. Late sales have been down to 148. This is the first break which has occurred below the price at which the new stock issue was made some time ago and may be taken as a reflection of the general tendency of the investment market.

OTHER STOCKS

Little Change in the General Situation During the Current Week.

So far as the more general stocks are concerned they have been affected by the conditions which have prevailed throughout the market; there have been few spots which showed a tendency to develop anything out of the common trend. With few exceptions there is practically no demand on the part of the public and the readjustment to levels to accord with the general financial situation is in order. The fact that there are many "bargains" being offered seems to be of little interest at this time and anything like an effort at liquidation is likely to result in losses. Traders report that they have never known quieter conditions in the Canadian markets.

ATLANTIC SUGAR.

The sales of Atlantic Sugar are running far ahead of the corresponding period of last year. According to a statement of the President, D. Lorne McGibbon to *The Financial Post*, the business for the first four months of the present year, May, June, July and August, amounted to over $5,000,000, as compared with a total of $8,000,000 for the whole of last year or $1,250,000 a month compared with $666,000. It is understood that the profits from a percentage basis are quite as high as those of last year. The increases in the sales are divided pretty well between the domestic and the export trade. The latter has been large with Great Britain and France as a result of the cutting off of the beet sugar with which Germany used to supply the Old Country. There has been a restricted export business, comparing the total of the British imports owing to the cutting down of supplies to consumers at the bidding of the Royal Commission, but it is understood that the exports of Atlantic have not suffered on this account. In another article there is discussed the question as to the effect on the output and prices that control by the newly formed International Commission will exert. Speculative profits will, of course, be eliminated, but these are always uncertain quantities in the sugar business. The net profits in the sugar business are small, taken by the pound, as the last statement of the company shows that these do not exceed 15 cents per cwt.

B.C. CANNERS.

Now that the B.C. canning season is drawing to a close somewhat more optimistic reports are beginning to appear. It is estimated now by well informed judges that the sock-eye pack for British Columbia, may reach the sizable total of 400,000 cases. This is considerably below the pack of former "big run" years, owing to the failure of the run on the Fraser, but this had been foreseen and discounted. The Fraser, the river of the "big run," owing to certain obstructions in the stream at the time of the former "run" four years ago produced this year only a little over 150,000 cases. Other sections, however, showed a good pack and brought the total to the figures referred to.

An unusual feature this year has been a late run of the sock-eye which has kept the factories open beyond their usual season and that leaves the situation in doubt. It must be admitted, however, that with an estimated shortage of 534,596 cases below the pack of the last "big run," there is little likelihood of this deficiency being made up.

On the other hand other British Columbian streams have shown a very satisfactory pack even of sock-eye, while in the other grades of salmon the pack has been so satisfactory that the total pack of all grades of 1,250,000 cases will come well up to the average of the former big years. Moreover, the failure of the sock-eye pack, and the fact that the market had been thoroughly cleaned up has resulted in a better demand for other grades of fish, and unexpectedly satisfactory prices are being obtained. Under these conditions it is expected that the canners of British Columbia will close the season with a small profit. The fact that the fishermen have been kept busy through the whole season has had its effect in the easier money among them and has enabled them to reduce the amount of the loans made to them by the canneries. As this return will reach probably $750,000 it is an item worth considering.

As Canadian consumption accounts for only 6 per cent. of the salmon pack, the high prices paid will not have come out of Canadian pockets.

CANADIAN WESTERN LUMBER.

Despite a decrease of 330,631 feet in the amount of lumber sold the price realized on sales during the month of July by the Canadian Western Lumber Company showed an increase of $144,868. This is an indication of the increased values prevailing in the market. Lumber manufactured during the month showed an increase of 1,130,710 feet. For the year sales have increased by 11,329,194 feet and price realized by $580,126 while the amount of lumber manufactured is greater by 7,383,169 feet. Following are comparative figures:—

	1916		1917	
	Feet Sold	Price Realized	Feet Sold	Price Realized
Jan.	3,675,657	$46,575	9,260,150	$150,543
Feb.	6,321,334	85,513	7,178,641	120,561
Mar.	12,748,836	188,188	10,674,405	188,846
Apr.	11,764,583	180,880	11,504,155	207,263
May	10,543,375	163,067	14,641,476	279,240
June	11,364,383	166,199	14,819,166	319,609
July	13,140,683	199,685	12,810,052	344,503

CANADIAN ROGERS.

The earnings of the Canadian William A. Rogers company continue to show substantial advances. The record for the first eight months of the year, ending with August, is considerably better than for 1916 while the total is about two and half times that for the corresponding period of 1915. Such a showing, in view of the war conditions and rising costs of raw material, labor, etc., must be regarded as very satisfactory.

CITY DAIRY.

With the contracts of the City Dairy company for the bulk of its milk supply expiring shortly, the demand of the Producers' Association for an increase of 50 cents per gallon is of considerable interest in the company's present and prospective position. C. B. McNaught, the president of the company, explains to THE FINANCIAL POST that for the time being the matter is practically resting in the hands of the Food Controller. He has given assurance that every consideration will be given to the matter and that if possible something will be done. An announcement is expected in the course of a day or so and this should have the effect of clearing the air to some extent at least.

That neither the City Dairy nor any other milk distributing company as far as he was aware had been making a profit on their investment was the statement made to THE FINANCIAL POST by Mr. Northgrave, manager of the company. This was not a condition recently developed, but one that had prevailed for a long time, and the reason was that as the price of milk advanced the price charged to the consumer had not taken up a proportionate share of the increase. The result was that the company, and most, if not all other companies, had been merely breaking even on the business.

This was a condition Mr. Northgrave stated that would have to come to an end. It was not fair to those who had invested money in the company nor was it a policy that could be longer continued. It was not sufficient to have the proceeds merely carry the actual expenses of the year, without making any provision for protection of the plant against the natural wear and tear of operation. Matters had come to a pass where it was essential for the company to be able to show an actual profit.

Mr. Northgrave was not prepared to say what added charges to the consumer this would entail. He did, however, make the statement that the spread between costs of the raw product and the selling cost were far and away lower than that of most other companies. No company, he stated, could cut their costs finer than "we have cut ours." No one could arrange a more economical system of handling and distribution. There were no further possibilities of retrenchment in this regard. American milk companies showed a spread of from 100 to 120 per cent. between buying and selling price. With the City Dairy the spread, roughly speaking, was less than 70 per cent. This included all charges of receiving pasteurizing, delivery wages and all other items. Figuring on such a basis as the purchasing and selling price of the dealers in Cleveland, the Toronto consumer would be paying 15 cents a quart. These were the conditions prevailing without any increase in the price from the producers.

With regard to the Food Controller's suggestion, that business should be carried on at the present basis until his Milk Committee had been able to examine into the situation, Mr. Northgrave characterized it as impossible. Present contracts with the producers expired October 1. It would be quite impossible for the milk companies to go on doing business buying and selling milk, with the possibility that when the Milk Committee did give its decision that they would be faced with an increased price that was retroactive, to the time of the expiration of contract. Whether the demands of the producers were justified or not he did not know, but he contended that the Food Controller had the power to make them put their cards on the table.

As to how an increase in price, if introduced, would affect the earnings of the company. Mr. Northgrave emphatically stated, that such an effect would only be of a temporary nature. He had never, he said, seen a decline in business from this cause that could not be overcome in two weeks.

CANADA BREAD.

The situation as regards fixing the price of flour has not changed during the week and there was no announcement following the meeting of milling interests to aid in clearing up the situation. Shareholders in Canada Bread Company have a general interest in the matter, although it is not likely that the setting of a definite price will have any marked effect upon the company's profits. It would, however, have the effect of stabilizing the market for raw material and further eliminating the speculative element. Generally speaking, the setting of a price for flour is not considered as important by those closely in touch with the industry, as this market has been practically set by the fixing of the price of wheat. The milling companies merely secure a margin over this price. There have been no sales of stocks for several days, the last transaction in the common being at 15 and showing no change.

CANADA CEMENT.

After strengthening at the end of last week to 62½, in sympathy with the improvement which found inspiration in New York, Canada Cement has eased off again during the past few days and late sales were at 61, which is only half a point better than the low level of last week. The company, as briefly stated last week, has received large shell orders for the 6-inch calibre and it is expected that these will mean activity for the next six months. The cement business shows continued improvement.

CARRIAGE FACTORIES.

After the very disapointing statement last year Carriage Factories has begun to recover and the business and the net earnings for the current year will show a considerable improvement. Speaking to THE FINANCIAL POST on Thursday of this week, W. F. Heney said that the regular business, carriages and harness, of the company had now come back to a normal basis, where last year it had fallen far below the average. Business from the West was steadily improving and the outlook was most hopeful.

An important announcement was made by Mr. Heney that the Canadian Briscoe Motor Company of Brockville, a subsidiary company, had been reorganized, through the parent company of Jackson, Mich., taking an active part and personal interest in its operations. The result was that where last year the Brockville factory was of no help to Carriage Factories a rapid development was taking place, and more orders were being received by far than could be turned out. From a losing proposition it was now on a paying basis, and next year should furnish a good portion of the profits of Carriage Factories.

From another director came the statement that a "very good business is being done, and the directors are well satisfied with the way things are going. The company at the present is working to full capacity on what may be called the regular peace basis, that is, their regular lines. We are looking for big business next year out of the automobile company."

Accrued dividends now amount to 14 per cent. In view of the improved conditions in the company it is likely that a portion of this dividend will be wiped out. Indeed, an announcement of the partial resumption of dividends would not be surprising at any time. The 1916 report had caused a slump in the stock from a high of 48 and a low of 29 last year to 9 this spring. This past week there was a decided upward movement and some sales have been put through this week at 20.

DOMINION PARK.

The Dominion Park Co. has again come into the class of dividend payers, and a dividend of five per cent. was declared this week, payable Sept. 30 to holders of record Sept. 20. Last year the dividend was passed. The Dominion Park Co. which was organized in 1906, paid 6 per cent. the first three years; from 1909 to 1911, 5 per cent., in 1912, 7 per cent., in 1913 and 1914, 6 per cent., and in 1915, only 3 per cent.

The President, H. A. Dorsey, stated to THE FINANCIAL POST that the revenue of the company in the season just closing was $220,000, as compared with $150,982 last year, an increase of 50 per cent.

"The war cut us down the two years before, but we seem to be back to normal again, and look forward to a good year next season. We are arranging for several new amusements. This business is very dependent on weather conditions. When Sousa was here this season there were six wet days out of sixteeen. June was cold, and so was August. With weather like July we would have left all previous records far behind." As it is 1917 in gross earnings holds the record to date, the next highest year being 1912, at $214,513, and the third year, 1909, at $210,962. It is understood that the net earnings are slightly below these years.

There is $400,000 paid up stock. There have been no transactions this year; last year the highest point reached was 85.

DOMINION CANNERS.

Unfavorable weather conditions have played havoc with the bright prospects that faced this company early in the spring. There have been other seasons

Continued on page 6.

City of Chatham, Ont.

Municipal Statistics and Information.

Chatham, the capital of Kent County, stands on the River Thames, 180 miles west of Toronto. It is served by the Grand Trunk, Canadian Pacific, Wabash Railways, with the Chatham, Wallaceburg and Lake Erie Electric Railway to Wallaceburg and Lake Erie.

The surrounding country contains much fine agricultural land, Chatham being in the centre of one of the finest agricultural districts in Canada. Chatham is supplied with Niagara power and natural gas. It supports over forty industries, the chief ones being the Dominion Sugar Company (the largest in America); Libby, McNeil & Libby (Chicago); The American Pad & Textile Company (Greenfield, Ohio); The American-Canadian Pump & Well Machinery Co.; The William Gray Sons & Campbell, Ltd.; C. S. Hyman & Co.; Gray-Dort Motor, Ltd., etc.

DEBENTURE POSITION.

General Debenture Debt (including present issues)	$516,427	
Waterworks Debentures (including present issue)	85,956	
		$ 602,383
Less Hydro Debentures (including present issue)	131,376	
Less Loans repayable	77,811	
		209,187
Net Debenture Debt		$ 393,196
Local Improvement Debt under Frontage System		372,064

COMBINED BALANCE SHEET, Dec. 31, 1916.

ASSETS.

Cash Assets—Bank balances, etc.	$ 25,068
Book Assets—Unpaid taxes and accounts receivable	113,509
Stock in Trade—Utilities, etc.	26,612
Passive Assets—Loans, local improvement debentures unpaid, etc.	554,410
Capital Assets—Waterworks, schools, hydro, etc.	877,838
	$1,597,437

LIABILITIES.

Current—Bills payable, hydro and waterworks accounts payable, etc.	$ 232,353
Deferred—General and Local Improvement Debt	907,729
	$1,140,082
Surplus Assets	$ 457,355

The City, including these issues, is no less than 8 mills below the borrowing limit.
Tax Rate for 1917 is 29 mills.

See Debenture advertisement on page 12.

Investments by Experts

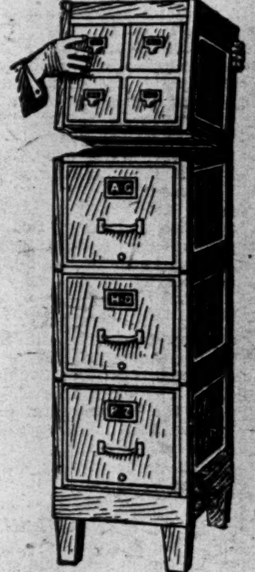
to yield 5%

The care and consideration given by the Company as an expert in the selection of security forms in itself a guarantee of safety for moneys invested with it on its Guaranteed Trust Investment plan.

The report on the security offered is made by experts in property values, who are salaried officers of the Company, not paid by commission. From their reports the Executive decides the amount to be loaned—seldom more than 50 per cent. of a conservative valuation. The investment of its client's money, thus made by the Company, is then further safeguarded by the Company's direct guarantee of both principal and income, the latter at the rate of 5 per cent. *per annum.*

These measures constitute an investment incomparably more secure than can be obtained by the ordinary investor who wishes to loan money on mortgage. Booklet, "Guaranteed Trust Investments," on request.

National Trust Company Limited
Capital Paid-up, $1,500,000
Reserve, $1,500,000
18-22 KING STREET EAST, TORONTO.



Macey

SECTIONAL Filing Cabinets

grow as you need them.

Ask your Furniture Dealer about them or write us direct.

CANADA FURNITURE MANUFACTURERS LIMITED
General Offices: Woodstock, Ont.

CANADIAN HESSION TILLERS AND TRACTORS, LIMITED

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 16th day of August, 1917, incorporating Henry David Petrie, barrister-at-law, Thomas Crompton, estate dealer, Alexander McKenzie Snyder, broker, Adam Henry Hope, accountant, and Frederick Charles Petrie, salesman, all of the City of Hamilton, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, prepare for market and market tillers, tractors and farming implements; (b) To erect, construct, build, lease, purchase or otherwise acquire, hold, own, use, equip, operate, or in any manner turn to account, or dispose of buildings of any and every kind, stores, store-houses, warehouses, offices, agencies, factories, plants, machinery, tools, equipment of any kind, with its appurtenances and appliances and therein or thereout, to manufacture, produce, obtain, assemble, use, own, develop, demonstrate, display, deal and trade in, barter, exchange, vend, sell, or in any manner turn to account or dispose of tillers, tractors and farming implements that may be used in connection therewith, or any parts appertaining thereto, or any supplies used in connection therewith, or any tools or fixtures essential therefor, or any other articles or things required to manufacture and prepare for market and to market. To acquire any invention, patents, patent rights or licenses to manufacture, thereunder, by way of purchase, royalty or otherwise; (c) To purchase from Daniel F. Hession and Israel Lewis Currier or either of them a license or a right to manufacture and deal in tillers or tractors now designed, or which may be hereafter designed by Daniel F. Hession; (d) To pay for any property, rights and things required by the company or for services rendered to the company in cash, fully paid shares of the capital stock of the company or its bonds and debentures; (e) To amalgamate with any other company having objects similar to those of the company; (f) To invest the moneys not immediately required in such securities and in such manner as may from time to time be determined; (g) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company, having objects altogether or in part, similar to those of the company; (h) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (i) To do all or any of the above things as contractors or otherwise and either alone or in conjunction with others; (j) To purchase, lease or acquire and develop water or other power and to use the same and to lease, sell or otherwise dispose of any surplus thereof; (k) To purchase or otherwise acquire on such terms and in such manner as the directors of the company from time to time decide, any shares of the capital stock of this company, provided that consideration therefor be paid out of the company's profits or surplus, if any, and not out of the capital of the company; (l) To pay out of the funds of the company, all costs and expenses of and incidental to the incorporation, advertising, promotion and organization of the company; (m) And to do all such other things as may be deemed useful, necessary or desirable in the attainment of any of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Canadian Hession Tillers and Tractors, Limited," with a capital stock of five million dollars, divided into 500,000 shares of ten dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada this 18th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.
H. D. Petrie, Barrister at Hamilton, Ont.,
Solicitor for Incorporators.

A. J. PATTISON, Jr. & CO.
SPECIALISTS
Unlisted Securities
Correspondence Solicited
56 KING ST. W., TORONTO

COLLECTION CLERK WANTED.

A COLLECTION CLERK — YOUNG MAN unfit for military service, who has had experience as cashier and is competent to take charge of the office end of collection department and qualify for better position; $1,000 per annum. Box 300, Financial Post.

DEBENTURES FOR SALE.

Township of Tisdale

South Porcupine, Ontario

DEBENTURES FOR SALE

SEALED Tenders will be received by the undersigned up to 12 o'clock noon on Saturday, the sixth day of October, 1917, for the purchase of Guaranteed Public School Debentures of the Corporation of the Township of Tisdale, as follows:—

Lot No. 1:
$23,000.00 for School Section No. 1, dated October 15th, 1917, providing for repayment of principal and interest at the rate of six per cent., in fifteen equal annual payments of $2,368.15, and guaranteed by the Province of Ontario.

Lot No. 2:
$10,000.00 for School Section No. 2, dated October 15th, 1917, providing for repayment of principal and interest at the rate of six per cent. in fifteen equal annual payments of $1,029.63, and guaranteed by the Province of Ontario.

These debentures have been registered and validated by the Ontario Railway and Municipal Board, and will be ready for delivery about the end of October, 1917. The principal and interest are payable at par in South Porcupine, Toronto, or New York, in holder's option. The lots may be tendered for separately or en bloc. The highest or any tender not necessarily accepted.

W. H. WILSON,
Treasurer, Tp. of Tisdale.

News of Securities

Continued from page 5

where the pack in some lines has been abnormally small, but these it was usually possible to replace by an overpack from some other line or a holdover from the previous year. This year, however, there was no holdover, and the pack so far, and the prospects of the pack to come, are far from bright. Cherries have been the only line where a full pack was reported. The vegetable pack, which is of course the backbone of the activity, has been worst hit of all. Peas that seemed to promise well resulted in only a 40 per cent. pack. Beans were a failure, with only 12½ per cent. of a pack. Tomatoes it is expected will not exceed 25 per cent. and corn not much better. On the whole the company is facing anything but a satisfactory year, and while they are not hampered by contracts as they were last year, the actual earnings of the season must of necessity be considerably below those of former years.

GENERAL ELECTRIC.

General Electric common has not been affected by the movements of the week to any marked extent. The average sales have been at 103, which is fractionally better than at last report. Besides there was a movement as high as 104. Sales were in smaller volume than for some weeks. There was no demand for the preferred.

MASSEY-HARRIS.

That the Massey-Harris company has been finding a market in Western Canada for all the farm implements it can supply and that, with high prices and the outlook for an accompanying development of productive areas, this demand is likely to continue, is indicated by statements made to THE FINANCIAL POST by Thomas Findley, the president of the company, who has recently returned from a tour of the prairie country. Like so many other industrial concerns the Massey-Harris company has been handicapped in its operations by the scarcity of raw materials and labor—principally the latter—and has been unable to bring its output up to what is warranted by the market. Mr. Findley's views on the general business situation in the West are very optimistic; they will be found in another column in this issue.

While at Winnipeg Mr. Findley was asked with regard to the operations of the company on munitions and stated that activity on these orders had practically ceased.

MACKAY.

MacKay is one of the more stable of the securities which has been affected in the recent general readjustment of values. The price this week went down to 77½, the bottom point of a movement which has been more or less steady since the first of the year. Later there was a fractional improvement with last transactions at 77¾.

MACDONALD.

The interest which developed in A. Macdonald common last week has been fairly well maintained. For a few days the price showed some tendency to decline, and it lost half a point from 15; later, however, there was a recovery and the position is practically the same as at last report.

RUSSELL MOTOR.

THE FINANCIAL POST understands that the Russell Motor Car Co. is to share with other munition manufacturing companies in the new contracts for 6-inch shells that are being placed by the Imperial Munitions Board, and that as soon as the shell plant can be readjusted, operations will be resumed. The last contract for shells, which the Russell Company handled, was for the 9.2 inch variety. As it will presumably take about a month to get the equipment ready for the smaller size, it will probably be about November 1 before production will commence. The extent of the contract has not been stated, but it is rumored that it is sufficiently large to keep the plant running to capacity for five or six months.

The report that the Russell Motor Car Co. has been engaged in the manufacture of aeroplane engines and parts is not correct. It is the Willys-Overland Company, in which of course the Russell Co. is interested, that has been producing these engines, which are being made under contract with the British Government.

It would appear probable that the necessity of financing the new shell order will preclude any early dividend disbursement to preferred shareholders. The company will doubtless prefer to keep down its bank advances and accumulate a comfortable surplus.

ROGERS.

In view of the evident unpopularity with which Rogers common has recently been regarded it will be re-assuring to the shareholders of the William A. Rogers company to know that the earnings of the concern for the first eight months of the year ending with August showed an increase over the corresponding period in 1916 and were about 20 per cent., higher than during the first eight months of 1915. The increase was shown despite the fact that for some time after the declaration of war on the part of the United States there was rather a marked falling off in business. However, demands have since shown recovery and outlook is for an increased volume of business for balance of the year. The company's capital requirements are very heavy owing to the increased value of silver, steel and other raw materials and for this reason the suspension of the dividend is likely to continue indefinitely. In view of the earnings referred to it is rather difficult to explain the market neglect of the stock at 40. One explanation is that it has evidently earned unpopularity from the reason that dividends as high as 12 per cent. have been paid in the past and the suspension has been regarded with undue significance in relation to the company's actual position.

SHERWIN-WILLIAMS.

The first transaction in Sherwin-Williams common since the first of August took place during the week-end trading. The price was 59, which is an improvement of a point over the last, but indicates practically no change for the whole year. This stock has been one of the steadiest features of the Montreal Exchange during 1917.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Sept. 28, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. **(Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")**

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1916	Dividends 1913	1914	1915	1916	Last Dividend Date 1917	Rate	Yield to Sept. 13	BANKS	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Sept. 13 High	Date	Low	Date	Close Sept. 21 1916 Ask	Bid	Close Sept. 28 Ask	Bid	Week ending Sept. 27 High	Low	Last	Sales
4,866,666	3,017,333	332,955	11 24	8	8	7	-	8th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29	112	Jan. 29								
15,000,000	13,000,000	602,319	16 26	10+2	10+2	10+2	10+2	1st Sept.	q. 2½	5.40	Commerce	218	199¾	205	203	203	183	188	Feb. 27	183	Apr. 5	186			184	185	183¾	184¾	18
6,000,000	7,000,000	363,442	15 78	12+2	12+2	12	12	2nd July	q. 3	5.79	Dominion	233	218	229½	227	220	204	212½	Jan. 9	203	June 28	216		207	204	204½	204¼	204¾	11
3,000,000	3,300,000	209,556	14 73	12	12	12	12	1st Sept.	q. 3	6.28	Hamilton	207	198	208	201	197	246¾	192	Mar. 17	189	May 23		190		188	189½	189½	189¾	3
4,000,000	3,700,000	42,711	13 65	9	9	9	9	1st Sept.	q. 2¼	6.33	Hochelaga	155	149	150	149	149	145	145	Jan. 9	141⅞	Sept. 18	147½							
7,000,000	7,000,000	1,089,656	14 73	12	12	12	12	1st Aug.	q. 3	6.12	Imperial	218	210	214	210	203	180	200½	Jan. 11	190	June 14		202½	196	194	195	191	194¾	24
1,946,373	300,000	42,791	8 44	6¾	7	7	5	1st Sept.	q. 1¼	4.42	Home Bank	116	110																
7,000,000	7,000,000	421,293	16 00	10	10	10	10	1st Aug.	q. 2½	5.91	Merchants	193	177	180	180	180	150	170	Jan. 3	167	July 25			169		170	169	169	7
4,000,000	4,800,000	127,549	13 20	11	11	11	11	15th July	q. 2¾	6.01	Molsons	205	194	202	200	195	182	186	May 19	179¼	Jan. 24								
16,000,000	16,000,000	1,414,424	13 75	10+2	10+2	10+2	10+2	1st Sept.	q. 2½	4.69	Montreal	250	227½	240	234	240¼	219	234	Jan. 11	213	Sept. 24			214		213	213	213	8
2,000,000	2,000,000	59,966	20 88	8	8	8	8	1st Aug.	q. 2	5.36	Nationale	133¼	131	132¾	132¾	134	134	149	July 31										
6,500,000	12,000,000	584,654	19 26	14	14	14	14	3rd July	q. 3½	5.53	Nova Scotia	265	257	265	261	261	254	257½	Mar. 9	252	June 21		254	250		250	250	250	2
4,000,000	4,750,000	118,179	14 77	12	12	12	12	18th Sept.	q. 3	6.00	Ottawa	208	201	207	207	204	202	202	Mar. 8	200	Feb. 23	204							
12,000,000	12,560,000	852,346	17 59	12	12	12	12	1st Sept.	q. 3	5.71	Royal	228	218	223	221¼	221¼	210	214	Feb. 13	208½	Sept. 21	212½	210	210	208	210½	208½	210½	47
3,333,242	4,333,242	153,543	17 40	13	13	13	13	1st Aug.	q. 3¼	6.31	Standard	223½	208½	220	215	221	211¾	215	Jan. 2	203	July 25		220	204		205	204½	204½	104
1,212,173	300,000	60,829	13 32	6	6	6	6	15th Aug.	q. 1½	6.12	Sterling	98½	98																
5,000,000	6,000,000	507,989	14 60	11+1	11+1	11	11	1st Sept.	q. 2¾	5.78	Toronto	215	203	211	207	215½	190	213	Jan. 30	187½	Sept. 5	198							
5,000,000	3,400,000	93,160	13 02	8	8+1	8+1	8+1	1st Sept.	q. 2	5.79	Union	147½	137	140½	140	140	132	142	July 30	136	Mar. 29		135	138		138	138	133	36

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1914	1915	1916	Last Dividend Date 1917	Rate	Yield to Sept. 13		Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	1917 High	Date	Low	Date	Close Sept. 21 1916 Ask	Bid	Close Sept. 28 Ask	Bid	Week High	Low	Last	Sales
27,450,000	10,000,000									Barcelona, T. L. and P.	35⅛	15½	17⅜	7⅜	17	19	17	Jan. 4	10½	June 18	15¾	14¾	11	10½	10½	10⅛	10½	20
106,289,100			4,367,832	6	4	4	1st Mar.	q. 1	9.09	Brazilian Traction L. and P.	92	53½	59¾	45	62⅝	43	47¾	Jan. 2	37	Apr. 20	58	57⅛	39⅛	39¾	40½	39⅛	40	1,162
	10,000,000			6	6	6	1st July	q. 1½		Brazilian Traction, Pref.																		
12,000,000		9,202,013	1,1951,936							Canada Steamships Lines, Com.			20	6	45	16	45⅝	Aug. 22	29¾	Feb. 3	35½	35	42½	41	44	41¼	41½	490
	12,500,000			3½	6	3½	16th Aug.	q. 1¾	8.97	" " " Pref.			76½	59	95½	89¾	93½	Jan. 29	76½	June 12	89½	89	79	78½	79	78	79	119
260,000,000	80,681,921	234,684,062	221,819,770	7+3	10	10	1st July	q. 2½	6.62	Canadian Pacific Railway	219⅝	171½	195⅛	139¾	182½	163¾	167½	July 9	149½	Feb. 8	179½	178½	152	150	153	148	151⅛	60
12,500,000		35,974,000	7,871,472	6	6	6¾	1st Sept.	q. 1¾	6.36	Detroit United	73¾	55	73	62	128⅛	69	128	Jan. 3	106½	July 9	116	115⅛	111½	110¾	112¾	111	111	2,731
3,000,000	1,500,000	3,410,000	753,332	4	2	p	1st July '15	s. 1	8 66	Duluth Superior Traction Co., Com.	67	55	60	55	49	37	51⅛	Mar. 7	40	Aug. 24		45½	45	44	44	43½	43½	48
12,252,000		3,711,000	1,667,644	3	3	3				Illinois Traction, Com.							35	Sept. 20	35	Sept. 20				35	35	35	35	10
	7,135,500			6	6	6	2nd July	q. 1½	7.22	Illinois Traction, Preferred	95	95	93	91	91	87¾	89	Feb. 22	82	Sept. 10	90			80	80	80	80	10
20,000,000		16,381,333					1st Nov.'13	q. 1¾		Mexico Tramways Co.																		
25,206,800	12,603,400	77,525,200	19,894,836	7	7	7	15th Apr.	s. 3½	.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½														
3,343,600		32,608,000	1,378,975	10	10	10	1st Aug.	q. 2½	6.94	Montreal Tramways	230	190	220	220			181	Jan. 5	175	Feb. 19								
9,000,000	4,465,500	14,075,000	2,428,908	5	5	5	15th June	q. 1¼	6.84	Northern Ohio Traction			73	73														
3,000,000		3,975,667	94,415				1st July '14	p. 1	10 53	Porto Rico Railways Co., Com.	71	45	51	45	49½	30	42	Jan. 27	35	Jan. 3		48						
	1,000,000			7	7	7	3rd July	q. 1¾	8.75	" " " Pref.	103½	101			30						96	90						
9,999,500		10,797,000	562,902				15th Jan.'12	q. 1 p	8.00	Quebec Railway L., Heat & P. Co.	16¾	10	20½	9⅛	45	14	35½	Jan. 2	16	Sept. 5	35		18	17½	17¾	16¼	17	380
12,000,000		3,184,633	6,257,025	8	8	8	3rd July	q. 2	1 .11	Toronto Railway	144¾	110	117½	111	111	72	90⅛	Mar. 12	72	Sept. 18	97½	96½	66	65½	72	64½	66	1,408
22,000,000	3,000,000	20,263,000	8,272,009	6	6	5	2nd July	q. 1¼	7.50	Twin City, common	108½	99¾	101	93	101	93⅝	95	Jan. 3	80	Sept. 18	96	94	81	80	81	80	81	225
9,000,000		10,880,000	4,292,068	12	9½		1st Jan.'16	q. 2½	16.00	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	36	Aug. 10			50	45	50	47	47	40

TELEGRAPH, LIGHT AND POWER UTILITIES

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1914	1915	1916	Last Dividend Date 1917	Rate	Yield to Sept. 13		Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	1917 High	Date	Low	Date	Close Sept. 21 1916 Ask	Bid	Close Sept. 28 Ask	Bid	Week High	Low	Last	Sales
18,000,000		11,149,000	1,647,955	8	8	8	15th July	q. 2	5.92	Bell Telephone	159¾	140¾	159	140	152	140	150	Feb. 5	135	Sept. 15	154	150	136		135	135	135	20
4,882,000							2nd July	q. 2½	6.71	Consumers Gas	180	169	185	176	176	160	165½	May 10	148½	Sept. 18	169		150		148	148	148	19
1,850,000		2,999,813	271,975							Calgary Power	59	53																
63,717,200			572,614			4	15th Aug.	q. 1	5.47	Civic Investment and Industrial							82⅞	Jan 27	72½	Sept. 18			72	71⅞	73	72	72	520
41,380,400			1,913,344	5	5	5	2nd July	q. 1¼	7.67	Mackay, common	88	65½	70¼	65	69¼	64½	90	Feb 17	79	Sept. 10	86½	85¼	77½	77	78	77½	77¾	126
	50,000,000			4	4	4	2nd July	q. 1	6.34	" preferred	71	32½	46	46	15	15	68	Jan. 16	63⅛	Sept. 18	67	66	64	63	64	63⅛	64	23
13,585,000		21,073,833	318,522	p	p	p	30th Dec.'13	q. 1		Mexican Light and Power Co., com.	49⅞																	
	6,000,000			p	p	p	1st Nov. '13	s. 3½	4.73	" " " pref.																		
3,483,520		1,275,000	778,877		7½	6	2nd July	q. 1½	8 57	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¾	92	92	Jan. 17	70	Sept. 1								
15,000,000		12,440,761	2,444,279	6	6½	7	10th July	q. 1¾	5.98	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	117⅛	Sept. 19	135¾	135	118	117⅞	118	117¾	117¾	55

INDUSTRIALS AND MISCELLANEOUS

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1914	1915	1916	Last Dividend Date 1917	Rate	Yield to Sept. 13		Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	1917 High	Date	Low	Date	Close Sept. 21 1916 Ask	Bid	Close Sept. 28 Ask	Bid	Week High	Low	Last	Sales
5,000,000	1,000,000	5,000,000	360,924			1¾	2nd July	q. 1¾		Abitibi Pr. and Paper							58½	July 31	55	Sept. 18			55	50	59½	58½	58½	20
6,514,000	7,895,200		525,403	3		6		s. 3		American Cyanamid							20	July 18	19	July 13				17	19	19	19	25
3,500,000		914,000	9,038							Ames Holden McCready Co., com.	16	6	23	7⅜	35	19⅛	23¾	Jan. 3	14	Aug. 9	23	21	15	13⅛	15	15	15	130
	2,500,000			3½			1st July '14	q. 1¾	14.00	" " " pref.	70¼	54	75	55	80½	52	61	Jan. 9	48	Mar. 1	61							
4,215,400					3½	4	21st May	s. 4	8.75	British Col. Packers, com.																		
7,000,000	2,000,000	1,655,000	283,768				7th May	1+¾		Brompton Pulp and Paper, com.													47	46½	47⅛	46½	47	317
750,000			482,517	5	4	6	2nd July	q. 1½	5.33	F. N. Burt Company, com.	88	67	72½	70	88	72	85	Feb. 23	75	Aug. 2	79	75	70		65	65	65	10
	1,975,200			7	7	7	2nd July	q. 1¾	7.95	" " " pref.	100	89	75	89	96	86	93½	Mar. 5	88	Aug. 31		93⅜						
2,500,000		1,226,111	105,993							Canada Bread, com.	33	18½	31⅛	29	30	16½	17	Feb. 6	15	May 19	20		15	14	15	15	15	7
	1,250,000			7	7	7	2nd July	q. 1¾	8.23	" " pref.	92	89½	90¼	90	90	87	86½	Jan. 5	85	Mar. 5	85¾	84½						
13,500,000		7,257,613	2,852,818		3	4½	16th July	q. 1½	9.83	Canada Cement, com.	32	28	48½	28	73	37¾	69⅞	Jan. 4	56	Feb. 1	63½	62¼	61½	60¼	62½	61	61	502
	10,500,000			7	7	7	16th Aug.	q. 1¾	7.65	" " pref.	93	98½	98½	89¾	9	86	95¾	Jan. 6	90	Feb. 3	95	93½	91½	90¼	91½	90¾	90½	55
4,186,700		5,539,602	1,927,054	2			2nd June '14	s. 2	13 33	Canadian Car and Foundry, com.	70	48	120	50	75	32	46½	Jan. 4	25¾	Jan. 19	47	46	29	28	27	25	25	170
	7,500,000			5½			1st July '14	q. 1¾	10.76	" " " pref.	109½	98	127	98	94	1¾	89	Jan. 3	59	Jan. 19	75½	74	62	60	63	58	58	265
1,733,500		399,000	440,377	4	2		15th Aug.	q. 1	5.00	Canadian Converters	40	34	34	34	46	34	43	July 11	39	Feb. 21		30						
2,715,500		4,750,000	1,663,571			2	4th July	q. 1	7.69	Canadian Cottons, Limited com.	39	24	40	24	65	39	56	Jan. 3	46½	Sept. 14	51⅛	50¼		51	51	51	51	5
	3,661,500			6	6	6	4th July	q. 1½	7.89	Canadian Cottons, Limited, pref.	79	70½	77	71	82½	75½	82	Jan. 1	75	Sept. 6	82	81						
1,600,000	1,500,000		1,334,466	6	6	6	15th July	s. 3		Canadian Fairbanks-Morse, pref.	92	92	95	95														
960,000		128,600	753,608		10	10+9	15th Aug.	q. 3	7.22	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	150	Mar. 28		164			165	164	165	55
	960,000				7+3½	7	15th Aug.	q. 1¾		" " " pref.					90	85	94	May 28										
2,000,000		1,545,000	749,322							Canadian Locomotive Co., com.	45	30	64¼	30	64½	51	64	Apr. 12	52½	Feb. 3	56	50						
	1,500,000			7	7	7	1st July	q. 1¾	8.13	" " pref.	°90½	85	90	78	99	81	91½	Apr. 11	84	Feb. 8				84	85½	83½	85	12
2,805,500		5,096,500	4,154,124	3			15th Oct. '14		4.44	Can. Consolidated Rubber, com.	91	91	91	91	91	84	99¾	Sept. 19	90	Mar. 22								
	3,000,000			7	7	7	1st July	q. 1¾	7.25	" " pref.	°97	96½	101	100	97	91	97	July 3	95	Mar. 22	97							
8,000,000			4,112,696	7	7	8	1st July	q. 2	7.69	Canadian General Electric, com	114⅞	90½	128	90¼	121	108	115½	Jan. 24	100½	July 6	118	117½	103½	102½	104	103	103	86
	2,000,000			7	7	7	1st Apr.	s. 3½	6 66	" " " pref.			110½	110	112	110	106	Feb. 1	94½	Jan. 31								
1,200,000		488,500	315,978							Carriage Factories, Limited, com.			53⅛	35⅛	44	29¾	25	Jan. 13	9½	June 18				20	20	20	20	25
	1,200,000				3½		15th July '15	q. 1¾	10.00	" " pref.			81	75	75	60												
565,000		65,981	55,527	8	8	8	3rd July	q. 2	7.09	City Dairy, com	102	98	100	98	98	89	30	Mar. 30						30	30	30	30	30
	700,000			7	7	7	3rd July	q. 1¾	11.66	" pref.	101¾	98	102	98	100½	92	70	Apr. 3	60	Aug. 15	99½	98						
6,500,000			1,623,274	7½	5¾+3	8+12	15th Aug.	q. 2½	6.89	Dominion Bridge Co.	122½	107	230	107	231⅛	160	170	Jan. 4	125	June 23	214	212	143⅜	142½	154	140	140	1,686
791,500		1,838,000	608,415	1½			1st Apr. '14	q.		Dominion Canners, com	68⅞	27⅛	35	31	22	15	26	Mar. 6	19	Jan. 3	17							
	2,290,600			7	1¾		1st Apr. '15	q. 1¾	9.33	" pref	96	80			65	61½	78	Feb. 7	65	Feb. 3	60							
37,097,700	7,000,000	22,167,366	8,946,516	p	p	1½ 16	2nd July	q. 1	6.50	Dominion Steel Corporation, com.	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52¾	Feb. 3	58	57½	59⅞	59½	62¾	59⅛	59⅛	1,738
	5,000,000	14,078,533		3½ p	p	7	1st Apr.	s. 3½	7.65	Dominion Iron and Steel, pref.	°94	68	96	71	105	90	95	Jan. 3	89	May 28				89	89	89	89	85
15,000,000	3,000,000	6,300,500		7	7	7	1st Aug.	s. 3½	1.06	Dominion Coal, pref	106	97½	101	98	99	93	96½	Jan. 22	85	July 6								
5,000,000		3,697,500	1,193,534	6	6	6	3rd July	q. 1½	7.18	Dominion Textile, com.	86⅜	60	77	64	90½	74½	89	May 25	76½	Feb. 3	83	82¼	82	81½	82	81	81	21
	1,940,600			7	7	7	16th July	q. 1¾	6.90	" pref.	106½	100	103	101	105	101	105	Apr. 26	99½	July 5		101						
2,250,500		1,100,000	238,033							Goodwins, Limited, com.	28	°23	28	26	40	40												
	1,750,000			5¾			2nd July '14	q. 1¾		" pref.	°82	74			75	40	45	Mar. 20										
747,500		261,000	886,226	6	6	6	1st July	q. 1½	6.00	Goulds Manufacturing Co., com.	97¾	97⅛					100	Apr. 19										
	747,500			7	7	7	1st July	q. 1¾		" " pref.																		
5,660,575	500,000		385,482							International Petroleum													13.63	13 15	12.75	12.75	12.75	100
40,000,000		8,294,000	4,540							Lake Superior Corporation	22⅝	6⅝	9⅞	9⅞														
2,100,000		900,000	889,135	8	8	8	1st Sept.	q. 2	6.40	Lake of Woods Milling Co., com.	135	127	137	129	136⅛	122	130	Jan. 2	124	Apr. 13	134	133¾		123	124	124	124	5
	1,500,000			7	7	7	1st Sept.	q. 1¾	6 03	" " " pref	120	120	122	120	129	116	116	Jan. 31										
9,600,000		706,090	927,446	8	8	8	3rd July	q. 2½	5.88	Laurentide Co.	192¾	160	198	160	217½	176	195	Jan. 5	169¾	Sept. 14	190½	189	166	165	165	165	165	25
1,750,000		1,086,900	204,102							Lyall Construction Co., com					93	25	80	Mar. 21	53	Sept. 5								
	1,300,000									" " pref																		
3,000,000	1,766,800		273,020				30th June '13			A. Macdonald Co. com.	21¾	8	14	7	19½	10	15½	Mar. 12	8	Jan. 5	13	12½	15½	15	15	14½	14½	415
2,500,000			1,402,332			9	17th July	q. 2½	10.00	Maple Leaf Milling, com	47⅞	25	68	30¼	122	100	115	Mar. 21	90	Feb. 3	95	94	109	107	110	108	108	917
	2,500,000			7	7	7	17th July	q. 1¾	7.60	" " pref.	101	98	98	88	108	93	103	Feb. 10	91¾	Aug. 23	94	94½	97	94½	97	93¾	94⅛	284
2,949,600		825,249	2,21 ,426	4	4	4	15th Sept.	q. 1	7.40	Montreal Cottons, Ltd., com.	58	56	56	51	63	50	58½	Jan. 4	49	June 11								
	3,000,000			7	7	7	15th Sept.	q. 1¾	7 03	" " pref.	103	97¼	100½	99	115	99	103	Jan. 24	99	July 25	102¾							
1,275,000			292,298				1st Nov.'13	q. 1½	15.00	Monarch Knitting Co., com	40	25	27	25	40	25⅛	40	Jan. 2	35	Jan. 3	35	32						
	750,000			7	7	7	1st Aug.	q. 1¾	8.75	" pref	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2	82	80						
2,000,000			527,504							National Steel Car, com.							21	Jan. 4	85	Sept. 18				5½	5	5	5	10
	1,500,000					3½	15th July	q. 1¾		" " pref																		
7,500,000		9,787,196	5,535,086	4½			14th July	s. 2½	5.43	Nova Scotia Steel, com	79	39	107	45¾	154⅛	93¾	128	Jan. 4	88½	May 9	128	127½	95	90	95¾	91	91	135
	1,000,000			6	12	12	15th July	q. 2	7.61	" " pref.	120	110	125	110	115	110	112	Jan. 4	105	June 25								
2,500,000		2,350,000	816,330	8	8	8+4	1st July	q. 2½	6.53	Ogilvie Flour, com.	123	107	144	107	152	127⅞	158	Sept. 19	137	Feb. 27	151	149		140	157	145	145	35
	2,000,000			7	7	7	1st Sept.	q. 1¾	6.25	" pref.	117	105	120	113	116	44½	115	Jan. 19	110	Aug. 3				111½	111½	111⅛	111⅛	5
750,000		600,000	123,076							Ont. Steel Products, com					45	19	34	Jan. 4	18	Mar. 16			28	24	29	29	29	25
	750,000				3	5½	15th Aug.	q. 1¾	9.09	" " pref					91⅛	73	74	Apr. 14										
650,000			65,174	2	2	2	1st July	s. 1	5.13	Pacific-Burt Co. com.	32	°28	31	28	29	20	40	Mar. 20	28	Jan. 9	22							
	650,000			7	7	7	1st July	q. 1¾	8.75	" pref	85	82½	85	80	83¼	77⅛	82	June 8	80	Jan. 3	79							
500,000			644,955	6+3	7+3	8+3	15th Mar.	s. 4+2½		Paton Manufacturing Co.																		
2,150,600		2,000,000	2,172,492	4	4	4+1	15th Aug.	q. 1	5.79	Penmans, Limited, com.	55½	48	62	49	78	60	73½	Mar. 26	69	May 3		63	69		69	68⅛	68⅛	25
	1,075,000			6	6	6	1st Aug.	q. 1½	7.22	" pref	84¾	79¼	83	82	90	82	86	Apr. 10	81½	Jan. 3	86			82	82	82	82	11
5,000,000		6,185,726	3,055,551				16th Sept. '16	1½	5.00	Price Bros.	60	70			132	60⅛	134	July 25	115	Mar. 30		83½						
4,500,000		1,881,500	1,338,870			3½+1	15th May	1¼+1		Riordan Pulp and Paper, com					150	59	127	Jan. 3	106	Feb. 3	82	81½	118	115	116½	116	116½	150
	1,000,000			7	7	7	30th June	q. 1¾		" " pref.																		
1,500,000		600,000	526,148	8	6	6	1st July	q. 1½	9.28	William A. Rogers, Ltd., com.	147	96	103	96	99	85	80	Feb. 15	65	Apr. 19	89½							
	900,000			7	7	7	1st July	q. 1¾	7.77	" " pref.	106	99	99	99	99	87	92	Jan. 4	90	Feb. 14	82¼	89¼						
800,000			Def. 204,009				1st Feb.'13	q. 1¾	8.75	Russell Motor Car, com.	20	5	50	10	114	32	52	Jan. 4	69	Sept. 20	64	61						
	1,200,000						1st Aug.'13	q. 1¾	6.25	" " pref.	49	25	76	25	139	66	122	Apr. 3	100	Jan. 1	95	94						
1,500,000		617,900	161,611							Sawyer-Massey Co., com	30	25	33	25	30	20	24	Mar. 16	8	May 21	26	22						
	1,500,000			3½			2nd June '14	q. 1¾	7.78	" " pref.	88	69	76	69	134½	58					72	56						
4,000,000		1,912,500	1,454,361							Sherwin-Williams, com.	60¼	53	57½	55	99⅛	53⅛	59¾	Mar. 9	56	Feb. 5				59	59	59	59	45
	3,100,000			7	7	7	1st July	q. 1¾	7.07	" pref	104	97	100	98¼	100	97½	100	Jan. 6	98	Jan. 11	99							
8,750,000			486,357	6	6	6	1st July	q. 1½+1	4.58	Shredded Wheat, com.	90¾	.78	102	92	140⅛	102¼	137¾	Mar. 1	122	Sept. 5		132½						
	1,250,000			6	6	6	1st July	q. 1½	6 25	" pref	°94	°92½	99	93	120	95	95	Feb. 19	95	Feb. 19		98¼						
1,718,600		512,500	989,649	1¼			1st June	q. 1¾	9.09	Smart-Woods, Ltd., com.	20	18	15	20	65	33	55	Jan. 12	44	Aug. 6	41							
	1,546,500			3½	1¾	15⅞	1st July	q. 1¾	8.75	" pref			45	20	101	84	80	May 9			90							
1,062,500	475,000	178,320	32,850				1st July	q. 1¾		Smith Paper Mills H																		
8,000,000		5,332,113	385,219							Spanish River Pulp Mills, com.	16¾	9	9⅝	3	24⅛	3½	19	Jan. 4	12½	Aug. 8	12	11¾	16	14¾	15	14	14½	47
	5,699,100						15th July '13	q. 1¾	14.00	" " " pref.	°51	31	35	35	70	29	59¾	Jan. 11	47	Aug. 15	38⅛	38						
11,500,000		9,522,300	7,763,602			4	1st Aug.	q. 1+½		Steel Co. of Canada, com	20	11	48	8½	88¼	34¼	71½	Jan. 4	51½	Sept. 17	64	63¼	55½	55	58¼	55	55¾	3,704
	6,496,300			3½	7	10½	1st Aug.	q. 1¾	7.90	" " " pref	87⅜	69	95	69	107¼	82½	100½	Jan. 2	87	Sept. 15		91¼	88	87	88⅛	86½	88	229
650,000			134,016							Tooke Bros., com	26	15	18	16	25	16												
	985,000			3½	1¾	8¾	1st Sept.	q. 1¾	9.72	" " pref.	81	75			83	78	79	Jan. 4	70	Aug. 28								
750,000		500,000	341,590	1½		5	30th June	3+2	5.55	Toronto Paper Co	61	30	45	25	96	44	90	May 17	72	Jan. 16	65	60						
2,500,000			276,452							Tuckett Tobacco, com.	47	29	29¼	29	25	23½	22½	Jan. 18	19	June 1	29	23						
	2,000,000			7	7	7	15th July	q. 1¾	8.75	" " pref.	101	90¼	90	90	90	75	83⅛	Jan. 18	78	Apr. 30		87						
5,000,000		3,500,000	697,275							Wayagamack com	32⅜	21	26½	26			95	Jan. 11	50	Aug. 30				56	56	54	56	30

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bonds, Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1915 High	Low	Range for year 1916 High	Low	Latest Price Ask	Bid	Last Sale
1,705,000	4,122,853	1,244,392	9	1st July	q. 2¼	Canada Landed	162	157⅛	163	157½	154		159⅛
6,000,000	20,905,084	5,195,652	10	1st July	q. 2½	Canada Permanent	188	183	183	168⅞		167½	170
1,750,000	4,095,238	1,807,053	10	1st July	q. 2½	Central Canada	190	190			190		
2,453,595	624,548	411,463	6	2nd July	s. 3	Col. Investment, pref.	81	78	76	70	74		77
931,395	1,072,384	252,511	5	1st July	s. 2½	Dominion Savings	81	81	80	80		81	78
2,411,863	2,318,270	701,646	8	1st July	s. 4	Great West Per							89½
1,200,000	2,312,901	1,491,062	8	2nd July	s. 4	Hamilton Provident	140½	135	140	138		137	137
2,500,000	12,090,672	3,085,518	12	2nd July	q. 3	Huron and Erie	211	209	214	209	210	208	209
1,000,000	1,937,231	781,348	8	2nd July	s. 4	Landed Banking	147	147	145	144		145	147
1,250,000	2,879,717	808,018	8	1st July	q. 2	London and Can. Loan	136	131	135	132	128	127½	127½
884,283	1,830,660	369,893	6	1st July	q. 1½	London Loan and Sav							
600,000	356,289	726,506	10	15th June	q. 2½	Montreal L. & Mtg. Co.	176	165	175	160			165
1,500,000	7,371,097	1,596,314	10	2nd July	q. 2½	National Trust	243	233	210	210		210	210
1,750,000	3,983,186	1,903,593	9	1st July	q. 2¼	Ont. Loan and Deb.	173	169	175	169		175	160
500,000	638,931	245,375	7	2nd July	s. 3½	Real Estate Loan							103
1,500,000	32,322,068	1,848,557	10	1st July	q. 2½	Toronto Gen. Trusts	210		210	205½	207		214¾
00724,550	1,910,506	595,010	8	1st July	q. 2	Toronto Mortgage Co			140	134		136	136
1,000,000	1,841,631	1,036,147	10	1st July	q. 2½	Toronto Savings							185
1,000,000	7,487,861	986,531	10	1st July	q. 2½	Union Trust							178
10,000		6,674,019	10	1st July	q. 2½	Canada Life Assurance							9

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Low	Range for Year 1916 High	Low	Latest Price Ask	Bid
1,500,000		1,885,740	10	1st Apr.	s. 5	Canadian N. Prairie Lands						
800,000	400,000	469,740	8	1st July	q. 2	Canadian Salt	115	110	140	124	133	128
59,109		1,605,792	$5	3th Mar.	5	Can North-West Land						
'00,000		2,473,048	20	30th June	q. 5	Confederation Life A.			350	330	375	
6,212,666		445,933	6	30th Dec.'16	1½	Crows Nest Pass Coal	100	100	83	71		55
1,000,000		292,302	6	15th July	1½	Dominion Telegraph			90	86		
3,000,000	9,669,500					Electrical Dev., pref.						
450,000	b 3,968,449	2,111,299	10	1st July	q. 2½	Imperial Life Assur						
500,000	b 365,613	643,552	p	1st Mar.'12	s. 2	Intercolonial Coal						
	p 217,900		p	1st Mar.'12	s. 3½	Intercolonial Coal, pref					80	
3,000,000		509,121	p	1st Mar. '14	1	Intern. Coal and Coke						
2,196,000	2,000,000	471,697	6½	15th Aug.	q. 1¾	Kaministiquia Power						
572,680	b 634,000	168,726	6	2nd July	s. 3	London Street						
2,000,000		119,184	8	15th July	q. 2	Montreal Telegraph	140	136	136	135		135
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1,164,000	b 749,000	268,375	p	10th July '15	q. 1¼	Trinidad Electric	105	100				
2,124,700	b1,540,617	688,268	8	15th June	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 600,000	578,143	5	1st July	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

DIVIDENDS DECLARED

Provincial Paper Mills Co., Limited

NOTICE IS HEREBY GIVEN that dividends of one and three-quarters (1¾%) per cent. on Preferred Stock, and one (1%) per cent. on Common Stock of this Company, have been declared for the current quarter, both payable October 1st, 1917, to shareholders of record at the close of business, September 15th, 1917.

By Order of the Board,

S. F. DUNCAN,
Secretary-Treasurer.

DATED TORONTO, September 6th, 1917.

The Bank of Nova Scotia

DIVIDEND No. 191

NOTICE is hereby given that a dividend at the rate of fourteen per cent. per annum on the paid-up capital stock of this Bank has been declared for the quarter ending September 30th, and that the same will be payable on and after Monday, the 1st day of October, next, at any of the offices of the Bank.

The stock transfer book will be closed from the 17th to the 30th proximo, inclusive.

By order of the Board.

H. A. RICHARDSON,
General Manager.

Halifax, N.S., August 17th, 1917.

Laurentide Company Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend at the rate of 2½% on the capital stock of this company has been declared, for the quarter ending September 30th, 1917, payable on Tuesday, October 2nd, 1917, to shareholders of record at the close of business Friday, 21st of September, 1917.

By order of the Board.

W. F. ROBINSON,
Secretary.

Montreal, September 10th, 1917.

Montreal Tramways Company

INTEREST ON DEBENTURE STOCK

INTEREST for the half year at the rate of five (5) per centum per annum will be paid on the first day of October, to the registered holders of the Debenture Stock of the Montreal Tramways Company.

No transfer of the Debenture Stock of the Company will be registered during the fourteen days immediately preceding the first day of October, 1917, and the Transferees of all Debenture Stock of the said Company, which may be transferred on or after the 1st October, 1917, will be entitled to receive the interest accruing thereon from said date only.

PATRICK DUBEE,
Secretary-Treasurer.

September 8th, 1917.

Nova Scotia Steel & Coal Co., Ltd.

DIVIDEND NOTICE.

A DIVIDEND of two per cent. on the preferred shares of the company for the quarter ending September 30th, 1917, has been declared payable on October 15th, 1917, to shareholders of record of September 29th, 1917.

By order of the Directors.

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia,
September 20th, 1917.

Penmans Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend of one and one-half per cent. has been declared on the Preferred Shares of the capital stock of this Company, for the quarter ending October 31st, 1917, payable November 1st, 1917, to shareholders of record of October 20th, 1917, also a dividend of one per cent. on the Common Shares for the quarter ending October 31st, 1917, payable November 15th, 1917, to shareholders of record of November 5th, 1917.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Sept. 20th, 1917.

Canadian Cottons, Limited

NOTICE is hereby given that a Quarterly Dividend of One and a Half per cent. (1½%) has been declared on the Preferred Shares of this Company, payable the 4th day of October, 1917, to Shareholders of record the 24th September.

Also, that a Quarterly Dividend of One per cent. (1%) has been declared on the Common Shares of this Company, payable the 4th day of October, 1917, to Shareholders of record the 24th September.

Transfer books will be closed from 25th September to 3rd October, both days inclusive.

By order of the Board.

A. BRUCE,
Secretary-Treasurer.

Montreal, September 14th, 1917.

The Porto Rico Railways Company, Limited

NOTICE IS HEREBY GIVEN THAT a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of this company, payable on the 1st day of October, 1917, to shareholders of record at the close of business on the 22nd day of September, 1917.

By order,

T. A. SPOOR,
Acting Secretary.

The Canadian Crocker-Wheeler Co., Limited

DIVIDEND NOTICE

THE Directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent (1¾%) dividend on the Preferred Stock of the Company for the three months ending September 30th, 1917, to shareholders of record September 20th, 1917. Also a dividend of One and Three-quarters per cent. (1¾%) on the Common Stock of the Company for the three months ending September 30th, 1917, to shareholders of record September 20th, 1917.

The Stock Books will be closed from the 20th to the 30th of September both days inclusive.

Checks will be mailed to shareholders on September 29th, 1917.

By order of the Board.

L. R. GRIMSHAW,
Secretary-Treasurer.

St. Catharines, September 15th, 1917.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND.

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th SEPTEMBER, 1917, payable OCTOBER 15TH, to shareholders of record September 29th.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 17th September, 1917.

Canada Cement Company, Limited

ORDINARY SHAREHOLDERS

DIVIDEND No. 6.

NOTICE IS HEREBY GIVEN that a dividend of 1½% for the three months ending September 30th, 1917, being at the rate of 6% per annum on the paid up Ordinary Stock of this Company, has been declared, and that the same will be paid on the 16th day of October next, to Ordinary Shareholders of record at the close of business September 30th, and that the transfer books of the Company will be closed from October 1st to 10th, inclusive.

H. L. DOBLE,
Secretary.

Montreal, September 18th, 1917.

Illinois Traction Co.

NOTICE OF DIVIDEND NO. 51

THE regular dividend of one and one-half per cent. (1½%) on the Preferred stock of the Illinois Traction Company will be paid October 1st, 1917, for the quarter ending September 30th, 1917, to shareholders of record September 15th, 1917.

By order of the Board,

GEO. M. MATTIS,
Treasurer,

Champaign, Ill.

The Trinidad Electric Co., Limited

NOTICE is hereby given that a quarterly dividend to Sept. 30th, 1917, at the rate of five per cent. per annum on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder, and are payable at the Royal Bank of Canada, Halifax, N.S., on and after Oct. 10th, 1917.

The transfer books of the Company will be closed from the 1st to the 10th of October, both days inclusive.

By order of the Board.

F. B. OXLEY,
Secretary.

Smart-Woods, Limited

DIVIDEND NOTICE.

A DIVIDEND of One and three-quarters per cent. (1¾%) on the PREFERRED STOCK of SMART-WOODS, LIMITED, has been declared for the quarter ending September 30th, 1917, payable October 1st, 1917, to Shareholders of record September 27th, 1917.

By order of the Board,

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, September 22nd, 1917.

The Shawinigan Water & Power Co.

NOTICE is hereby given that a dividend of one and three-quarters (1¾%) has been declared on the Common Stock of this Company for the quarter ending September 30th, 1917, payable October 10th, to shareholders of record October 1st, 1917.

By order of the Board,

JAMES WILSON,
Secretary.

Montreal, September 26th, 1917.

The Huron and Erie Mortgage Corporation

QUARTERLY DIVIDEND No. 120.

NOTICE is hereby given that a dividend of three per cent. for the quarter ending Sept. 30th, 1917, being at the rate of TWELVE per cent. per annum upon the paid-up Capital Stock of this Corporation has been declared, and will be payable at the Corporation's Office in this city on and after Monday, Oct. 1st, 1917, to shareholders of record at the close of business on Sept. 15th, 1917.

By order of the Board.

M. AYLSWORTH,
Secretary.

London, Canada, Sept. 4th, 1917.

BIG DEPOSITS STRONG FEATURE BANK REPORT

Savings Funds Now $300,000,000 Higher Than August, 1914.

PREPARING FOR WAR LOAN

Indications That Funds Are Being Held for New Issue—A Large Increase Shown in Credits to Canadian Business.

A further increase of over $23,000,000 in the savings deposits making a total of more than $950,000,000, or $300,000,000 more than when the war broke out, was an outstanding feature of the August statement of the Canadian banks. This increase comes as a relieving note at a time when it is realised that the financial pressure upon the country is unusually heavy and it indicates that funds are being gathered to withstand the war strain. No doubt the approaching war loan may be considered as a factor in the matter. Not that it is likely that the individual saved much during August for the new flotation but large institutions have not been making usual investments and their funds have probably gone into this account. Further it is understood by THE FINANCIAL POST that certain companies which carry large available cash assets have been notified of some slight reduction in interest rates on current account and have transferred a portion of their funds to the savings department. That either or both of the later conditions have been contributing factors would seem to be indicated by the fact that during the month current deposits decreased by $70,000,000.

Another important feature was the fact that commercial loans were increased to the extent of $6,800,000, this increase following period of steady contraction since April. The August total was $836,000,000 as compared with $880,000,000 five months ago. The contraction and expansion is a more or less usual feature during the period referred to, being an indication of the course followed by the banks to provide the necessary funds for the crop and autumn trade requirements. Some new munitions contracts may also have been a factor. Current loans at the end of August were $96,000,000 higher than they were a year ago, an indication of the enlarged accommodation being extended by the banks for the financing of domestic business.

An increase of $26,700,000 in call loans abroad indicates an extension of funds in the New York market. Other important changes were: A decline in specie holdings of $1,000,000, a decline in holdings of Dominion notes of $2,200,000, an increase of gold reserve of $3,100,000, an increase of balances due by banks in the United Kingdom of $5,900,000, an increase in holdings of Government securities of $8,300,000, a decline in loans abroad of $3,100,000 and a decline in loans to the Government of $2,200,000. These changes are much more important than is usually the case during one month, and reflect many unusual developments in our national financial position which are no doubt a reflection of the abnormal times in which we are living.

AUGUST BANK STATEMENT

	Aug., 1917.	July, 1917.	Change	Aug., 1916.	Change in year
ASSETS.					
Specie	$ 71,223,228	$ 72,242,843	— $ 1,019,615	$ 65,962,079	+ $ 5,261,149
Dom. notes	120,508,217	122,743,664	— 2,235,447	137,913,307	— 17,405,090
Gold reserve....	53,320,000	50,220,000	+ 3,100,000	20,860,000	+ 32,460,000
Call loans ab'd..	178,610,625	151,875,676	+ 26,734,949	171,380,353	+ 7,230,272
Canadian call..	71,204,351	71,376,788	— 172,437	86,351,216	— 15,146,865
Current loans..	836,429,670	829,560,700	+ 6,868,970	739,938,513	+ 96,491,157
Loans abroad...	87,082,849	90,253,882	— 3,171,033	66,556,371	+ 20,526,478
Total assets..	$2,096,390,662	$2,072,686,194	+ $23,704,468	$1,840,895,799	+ $225,494,862
LIABILITIES.					
Circulation .. .	$ 156,450,659	$ 154,692,268	+ $ 1,758,391	$ 122,656,083	+ $ 33,794,576
Demand dep....	439,995,259	450,849,356	— 10,854,097	443,317,275	— 3,322,016
Savings dep....	952,591,821	929,442,340	+ 23,149,481	806,774,687	+ 145,817,134
Ttl. dep. in Can.	1,392,587,080	1,380,291,696	+ 12,295,384	1,250,091,962	+ 142,495,118
Foreign dep....	186,651,653	183,846,718	+ 2,804,935	140,789,100	+ 45,862,553
Total liab. ...	$1,848,214,876	$1,827,273,169	+ $20,941,707	$1,596,526,473	+ $251,688,403

EASTERN FISHERIES.

Large Catches and Big Prices are Making for Prosperity.

Special to The Financial Post

HALIFAX.—One of the greatest of Nova Scotia industries is the fishery and this year it is highly prosperous, large catches and big prices. A fisherman is quoted as saying, speaking of the price of flour at $14 a barrel; "I don't think of flour cost in terms of dollars but in terms of codfish. It used to take two quintals of codfish to buy a barrel of flour but this year it takes less than one and a half. The summer catch of the banking fleet is 175,000 quintals, which, with 40,000 taken on the spring trip, makes 215,000. There is besides the catch of the Bay fleet, 25,000 quintals; so altogether the total will be about 240,000 quintals, as compared with an average catch of 200,000, and the price will probably be ten per cent. above the average. Large cod ex-vessel is quoted at $10 a quintal and small at $9. The lobster pack situation is doubtful. There is a considerable portion of the season's pack remaining on this side though purchased with the intention of shipping to Europe. Delays in transportation have caused the lobsters to lose the best consuming season in England and France. It may leave a surplus on hand when the next season opens.

OVER $200,000,000 EXEMPT IN MONTREAL

Controller Villeneuve Continues Analysis of Montreal's Finances—Deficit for 1918 Out of Revenue.

Following up his remarks on the financial situation of the City of Montreal, which appeared in THE FINANCIAL POST last week, Commissioner Villeneuve brings out some further interesting facts in this connection.

One is the disadvantage under which the city labors through the high proportion of its properties exempt from taxation, and the time has come, he states, when a progressive administration for the city will have to consider seriously this question in its many phases, and the justice or injustice of the system to the community at large.

According to the rolls for 1916, the value of property exempt from real estate taxation under the different headings of religious, charitable, governmental or public purposes is $206,735,926. The total assessed value of real estate taxable for municipal revenue is $615,982,631. It will be thus seen that of the total value of real estate in Montreal, viz., $822,718,557, more than one-fourth is exempt from municipal taxation.

But even with this disadvantage, if Montreal real estate were taxed in the same rate as Toronto—that is, 25 mills instead of 15 mills, as at present—our revenue would be increased by some $6,159,826, making a total of $18,724,612, instead of $12,564,786.

This is much more than is required for present purposes of civic administration, and, in fact, if the full burden of our anticipated deficit for 1918 were placed on real estate alone, an increase of ½ per cent. would be sufficient to meet all requirements, and we would still be ½ per cent. lower than the Toronto taxation.

While it is conceded that the deficit for 1918 will be much greater than for any of the preceding years, it has been decided by the Board of Commissioners that no additional loan will be floated for this purpose, but that whatever amount will be required must be found through direct revenue sources.

SUGAR INDUSTRY AND FIXED PRICE PROBLEM

D. Lorne McGibbon Discusses the Situation and Probable Developments.

The sugar refining industry is like the milling industry facing the problems incident to fixed prices. The chief danger that lies in this change as far as Canada is concerned is in the system of allotment of raw stocks and the possibility that this allotment may not be sufficient to admit of the export business to France and England that has been such a profitable item of trade during the past year.

For the future the whole control of the situation as it affects Canada and the United States as manufacturers, and Cuba and other countries as producers, will be vested in the "International Sugar Purchasing and Distribution Committee."

A price has already been fixed on American beet sugar and a price will shortly be set on the Cuban crop, which will begin to move in January; this will be followed by a fixed price on sugar in the United States, and probably in Canada.

D. Lorne McGibbon, president of the Atlantic Sugar Refineries, expressed some anxiety lest the available supply of raws should enforce a curtailment of the export business. He expressed himself as convinced that lower prices would prevail as soon as the new crop began to move. In the meanwhile he did not anticipate any difficulties, as with the prohibition of speculative buying the available supply of raws could be made to carry over till the new crop was available.

CENSUS FIGURES ADD 20,000,000 TO WHEAT CROP.

Continued from page 1

raisers are in a sure foundation and showed conserve breding stock.

Elevators Filling Up.

Miss Cora Hind of the Winnipeg Free Press, wires to-day in the Western situation. While actual markets are comparatively dull there have been plenty of happenings in the trade during the week. For one thing the wheat export company has been buying steadily, being in the market for all contract grades, but meeting fair competition from the millers for numbers two and three Northern of which supplies are comparatively limited. This has relieved the buying situation in the country to a material extent, though elevators are filling up pretty rapidly the wheat stocks in interior elevators having jumped over three million bushels for the week and being more than three and a quarter millions greater than for the corresponding date of 1916. Weather on the whole has been favorable for threshing and the grading is running 90 per cent. one northern or better. Oats looks increased over a million also and barley and flax stock is more than doubled.

It is understood that so far the financial arrangements with regard to Britain's purchase of the wheat are not complete. Westerners on the whole would like an explanation of the statement of Sir Thos. White that 44,000,000 bushels is the surplus of the Western crop for which the Canadian bankers will be asked to find the money. The Western surplus over and above all local requirements will be pretty close up to one hundred and fifty millions and making all allowances for grinding by Canadian mills for Britain's surplus of wheat in bulk for shipment cannot be much if any under eightly millions.

There would appear to be an Ethiopian in the woodpile or the strawpile. The announcement late in the week that the American boats would accept the old bill of lading from Canadian ports, namely the bill which makes the carriers responsible for the out turn and also that they would carry wheat from the head of the Canadian lakes to Canadian Bay ports for 4 cents per bushel, cannot have been very pleasant, medicine to the Canadian lake carriers, who ever since the Cleveland convention have been holding out for 4½, the rate to Buffalo. It is generally expected that the American boats will carry a lot of our wheat, the big ore freighters are getting in the game earlier than usual.

Manitoba Wins Sweepstakes for Wheat.

Manitoba against the world for wheat is our record. S. Larcombe of Birtle, Manitoba, having carried off the world sweepstakes for wheat at the soil products fair at Peoria, Illinois, and all the first prizes for wheat coming to the province, also sweepstakes for oats and flax.

Larcombe, like Seager Wheeler of Saskatchewan, is an Englishman and has done much valuable experimental work in wheat, grains of all kinds and grasses, and is, in addition a thoroughly practical and successful farmer from a commercial standpoint.

The old vexed question of getting the grain screenings back to the farms for feeding purposes, is at last by way of settlement. There was a conference here for two days which included all the interests involved. The terminal elevator men were determined to have the embargo entirely lifted but instead they will be allowed to export under license.

Satisfactory Screening Arrangement

The screenings from grain consigned to the Government interior terminals at Calgary, Moosejaw and Saskatoon, will be properly classified and will be available for feed, the screenings from the Government Terminal at Port Arthur will go East, mainly for the use of the Eastern poultry men.

The representative of the railway companies W. B. Lanigan, of the C.P.R. came through with very fair concessions on the matter of "Stop Off" Charges and "Milling in Transit". This feed is much needed owing to the shortage of coarse grains in the Southern parts of Saskatchewan and Manitoba and also the shortage of hay. With this supply of food available there will be no need of premature liquidation of young stock. If supplies from Government terminals are not sufficient the public terminals will be required to furnish stock men with all they need in preference to exporting it, but they are to receive for these screening the full market price.

The Dominion department of agriculture is to be warmly congratulated on the stand taken in this matter, while the veteran livestock feeder of Brandon J. D. McGregor, is also to be congratulated as he has been pushing for a settlement of this screenings question for more than ten years.

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MONEY, BANKING AND EXCHANGE

Substantial Increases Shown in Bank Clearings for the Week.— For the Dominion the Gain was 17.5 per cent.

Returns of bank clearings for the week ending Thursday last, reported officially to THE FINANCIAL POST, amounted to $235,902,569, compared with $200,690,139 for the corresponding period in 1916, an increase of $35,212,430, or 17.5 per cent. Ottawa was the only city in the Dominion to show a decline. Western cities showed a total of $80,438,588, an increase of $21,562,409, or 36.6, while in the East the total was $155,463,981, an increase of $13,650,021, or 9.6 per cent. In the West, Calgary, Medicine Hat and Lethbridge showed the largest percentage gains, and in the East, Sherbrooke, Halifax, Peterborough and Kitchener. For the year to date the clearings amount to $8,974,071,942, and represent an increase of $1,734,777,930, or 23.9 per cent., over the corresponding period a year ago. Comparative figures follow:

WEEKLY BANK CLEARINGS.
(In comparison with same week last year.)

Eastern Cities.	Sept. 27, 1917.	Change.	%
Montreal	$ 75,328,374+	$ 2,617,256	3.5
Toronto	56,829,091+	8,489,095	17.5
Ottawa	5,329,025—	401,771	7.0
Hamilton	4,704,872+	647,812	15.9
Quebec	4,173,325+	732,335	21.2
Halifax	2,676,927+	661,905	32.9
London	1,822,625+	155,027	9.3
St. John	1,907,189+	172,625	9.9
Brantford	750,655+	147,225	24.4
Peterboro	702,595+	146,995	26.4
Sherbrooke	691,650+	171,996	33.1
Kitchener	547,653+	109,521	25.0
Total, East	$155,463,981+	$ 13,650,021	9.6

Western Cities.	Sept. 27, 1917.	Change.	%
Winnipeg	$ 48,667,674+	$ 12,164,265	38.3
Vancouver	10,146,943+	2,736,110	36.9
Calgary	6,853,266+	3,163,274	85.7
Edmonton	2,670,873+	722,768	37.2
Victoria	1,827,475+	300,549	19.7
Regina	3,717,537+	790,940	27.0
Saskatoon	1,889,038+	566,507	42.8
Moose Jaw	1,294,532+	140,990	12.2
F. William	635,262+	88,951	16.2
Brandon	581,500+	93,606	19.2
Lethbridge	1,040,077+	383,605	58.4
N. Westm'ster.	405,990+	109,575	37.0
Medicine Hat	708,421+	301,269	74.0
Total, West	$ 80,438,588+	$ 21,562,409	36.6
Grand total	$235,902,569+	$ 35,212,430	17.5
Yr. to date	$8,974,071,942+	$1,734,777,930	23.9

U. S. BANK CLEARINGS.

Bank clearings in the United States for the week ending September 20 aggregate $5,819,724,000, against $5,745,361,000 last week and $5,552,142,000 in this week last year, an increase of 4.8 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:

(000's omitted)

	Sept. 20	I or D		Sept. 13
New York	$3,282,259	D	5.7	$3,285,250
Chicago	486,300	I	5.8	483,181
Philadelphia	348,393	I	31.5	334,256
Boston	229,720	I	20.0	240,028
St. Louis	141,824	I	22.4	136,203
Kansas City	156,732	I	43.6	151,980
S. Francisco	100,607	I	27.4	89,598
Pittsburgh	73,012	I	12.0	70,783
Cleveland	76,239	I	38.4	80,766
Detroit	56,013	I	8.4	53,090
Baltimore	48,822	I	27.7	39,575
Cincinnati	40,877	I	16.2	40,954
Minneapolis	43,476	I	49.4	41,345
N. Orleans	37,762	I	50.6	33,244
L. Angeles	28,345	I	5.0	24,887
Omaha	39,190	I	38.1	34,833
Milwaukee	27,235	I	20.2	26,253
Atlanta	34,348	I	54.7	32,686
Louisville	18,163	I	5.7	17,888
Richmond	50,438	I	161.3	33,152
Buffalo	18,896	I	17.4	18,565
Seattle	26,404	I	50.8	25,147
St. Paul	15,342	I	11.5	16,291

MONEY.

The rate for call money in London continues at 4 per cent. In New York it has been gradually getting firmer. On Monday the nominal rate was 4 per cent., while by Thursday it had reached 6 per cent. This strength in money rates is attributable to the impending Liberty Loan and the New York money market promises to continue firm until the loan is out of the way.

Great assistance to conditions is being given by the so-called Money Committee, which consists of the presidents of the largest banks and trust companies in New York and the governor of the Federal Reserve Bank. This is technically a sub-committee of the Central Liberty Loan Committee of the New York Federal Reserve district, and officially it exists exclusively for the purpose of lending aid to the flotation of the Government loan, for the success of which a comfortable money market is requisite. The lack of available time money was causing a liquidation of stock and a decline in the stock market, which was undesirable from the loan standpoint. The bankers accordingly took steps to relieve the pressure.

The committee works something like this: It finds that there is a demand for, let us say, $10,000,000, and that unless the demand is supplied there is likely to be a disturbance which would adversely affect the stock market. One of the members of the committee suggests that the banks put out the necessary $10,000,000, and he agrees that his institution will lend $2,000,000. Thereupon the other members of the committee indicate their willingness to do their share and informally the requirements of the day are provided for.

Canadian banks are reported to have withdrawn about $10,000,000 from New York. This is being put out on call in Canadian cities for the purpose of steadying this country's money market during the flotation of the Dominion war loan.

EXCHANGE.

International money rates have all been softer this week. New York funds declined from a premium of 1/32 to a discount of 3/64, touching 1/16 yesterday. The beginning of the grain movement, coupled with the transfer from New York to Canada of funds by the banks, has been mainly accountable for the weakness. There seems to be quite a volume of New York money offering in the market.

Demand sterling has also been appreciably weaker. From 4.7545 last Saturday, quotations have fallen to 4.7530, or the equivalent of 1/32. The higher money rates in New York may have had something to do with this, as inducing a flow of British money across the Atlantic.

Francs have fluctuated within narrow limits. Demand opened at 5.79¾, advanced to 5.78⅝, and then receded to 5.79¼.

The course of roubles has also been erratic. Last Saturday demand was quoted at 17.40; on Monday, 17.55; Tuesday, 17.00; Wednesday, 17.20; Thursday, 17.55, and yesterday, 15.90 to 16.00.

UNION.

Pte. George Leonard, formerly teller in the Union Bank at Newboro, is reported as being killed in action early this month.

STERLING.

O. A. Harper, of the Sterling Bank, is on a visit to Atlantic City, and while there will attend the convention of the American Bankers' Association.

NATIONAL CITY.

Frank A. Vanderlip, who as president of the National City Bank of New York, heads the largest national bank in the United States, has severed his connection with that institution and all other organizations with which he is identified, for the period of the war, to assist Secretary McAdoo of the United States Treasury Department in Liberty loan finance.

Mr. Vanderlip has started his duties as Chairman of the War Saving Certificates Committee, which will virtually handle the details of floating the $2,000,000,000 war saving certificate issue recently authorized by Congress.

As Chairman of the War Saving Certificates Committee he will receive a salary from the Government of one dollar a year. Mr. Vanderlip's duties as President of the National City Bank will be performed during his absence by four of the bank's managers.

BANKER RESIGNS.

H. Harman Harjes, of the banking firm of Morgan, Harjes and Company, Paris, has resigned as high commissioner of the American Red Cross Society for France and Belgium.

COMMERCE.

Lt. Alan Cockeran, awarded the Distinguished Service Order for gallantry in attacking and taking a machine gun post and for other exhibitions of bravery, was a teller in the Brockville branch of the Bank of Commerce before enlisting as a private in the 21st Battalion, although he had been a Lieutenant in the 41st Brockville Rifles. He won his commission on the field last winter.

ROYAL.

W. L. Hornsby, manager of the Davidson branch of the Royal Bank, has been appointed to the managership of the branch at Fort George, B.C. Mr. Hunter, formerly manager at the Swift Current branch has been transferred to the Davidson branch.

STANDARD.

The Standard Bank of Canada has declared its regular quarterly dividend of 3¼ per cent. for the quarter ending October 31.

IMPERIAL.

W. A. Wright, manager of the Imperial Bank at Brandon, Man., died recently after a brief illness from meningitis. Mr. Wright was a native of Milton, Ont.

WAR RISKS AND THE PENSION SYSTEMS

Some Changes May Be Made Necessary by Higher Mortality of the War.

With the progress of the European conflict and the steady increase in the number of bank employees in the overseas forces, one of the little wartime problems is growing in importance—a problem which has a direct and more or less vital interest for practically all members of the staff. This is the pension system. In the annual statements of different Canadian banks there is always a substantial allowance made for the pension fund from the current profits. This fund, of course, is based to some extent upon mortality statistics as in the case of insurance companies. Increased mortality, such as must be expected in war time, naturally has the effect of upsetting the basis of calculations to some extent.

THE FINANCIAL POST understands that up to the present the problem, while a complex one, has not resulted in any general change of policy, but if the casualities increase, some alteration in the schedules will naturally have to be made. Whether this will mean that the banks will make increased appropriations or the allowances under the scheme will have to be moderated is a matter which is now receiving more or less attention.

LARGE CREDIT EXTENDED TO PURCHASING AGENTS

Method by Which Movement of Grain to the Seaboard is Going to be Financed.

The announcement this week that Canadian banks will furnish the purchasing agents of the British Government with credits up to $80,000,000 to enable them to take up and pay for the grain deliveries of the autumn months is one result of last week's conference between Lord Reading and Sir Thomas White. The bank loans are to run only until the produce reaches the seaboard, where it is to be taken over and paid for by the Wheat Export Company, presumably through British financing in New York. This arrangement does not differ greatly in essentials from the ordinary method of financing the Canadian crops. The large central loan to the British agents will replace the scattered advances usually made to grain dealers and others, and apparently New York funds will be forthcoming promptly when the foodstuffs are exported.

While the foregoing arrangement satisfactorily disposes of the first stage of the crop financing, the problem of carrying through the winter and spring the unexported balance of the harvest remains to be solved. This calls for a loan running perhaps for five months in the first place, and it is intimated that the Government may then undertake to relieve the British Treasury of the necessity of paying cash at the seaboard.

RISE IN PRICE OF SILVER WAS UNHEALTHY

Drop This Week From 1.08½ to 97⅝ Attributed by Mining Man to Over-speculation.

"The advance was simply too strong and unhealthy," stated F. L. Culver, president of the Temiskaming Mining Company and the Beaver Consolidated, when asked yesterday by THE FINANCIAL POST for an explanation of the break in the price of silver, which carried the price down 11 cents in three days. "There is always a top to such movements, and it was touched this week. A lot of influences were at work to occasion outside speculation. The publicity that was given to the rise; the emphasis that was laid on the needs of the East; the predictions of much higher prices, all contributed to rush up the price, and men were buying silver who had never touched it before. Then came the reaction, first felt in San Francisco and then in New York, with large quantities of the metal offering.

"London is the great central market for silver, and as long as silver was selling in New York above the London quotation, the condition was unhealthy. There is talk, of course of fixing the price of silver, and Lord Reading's presence in the United States may have something to do with it. England needs silver badly, both for coinage purposes and to liquidate her obligations with countries which are on a silver basis. She used to keep a reserve of 10,000,000 ounces of bullion before the war, and now she hasn't any. As there was a shortage of 20,000,000 ounces in production last year, and as the demand is bound to continue strong, it is not improbable that steps will be taken to put silver on a fixed basis.

ROYAL BANK'S RECORD.

The Royal Bank has passed the $300,000,000 mark in the matter of assets. In the August statement the total assets are placed at $300,148,756 as compared with $297,757,506 at the end of July, and $253,261,627 at the close of the fiscal year, Nov. 30, 1916. The increase in the nine months is thus nearly $47,000,000. During the month of August the deposits increased from $238,879,771 to $240,229,214, and the cash in hand and in banks, from $58,343,166 to $59,923,144. There was some light trading this week, 16 shares on Tuesday at 110½, an advance of ½ point over last week. On Wednesday and Thursday this dropped back to 110.

BANK OF ENGLAND.

London, Sept. 27.—The weekly statement of the Bank of England shows the following changes:—

Total reserve decreased £143,000, circulation increased £516,000, bullion increased £372,839, other securities decreased £2,868,000, other deposits decreased £6,533,000, public deposits increased £3,520,000, notes reserve decreased £117,000, Government securities increased £44,000.

The proportion of the bank's reserve to liability this week is 19.50 per cent. Last week it was 19.23 per cent.

Rate of discount, 5 per cent.

THE ROYAL BANK OF CANADA
INCORPORATED 1869

Capital Authorized	$ 25,000,000
Capital Paid Up	12,911,700
Reserve and Undivided Profits,	14,324,000
Total Assets	300,000,000

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CONSCRIPTION AND ITS EFFECT ON THE BANKS

Ranks of Employees Have Already Been Seriously Depleted.

CENTRAL BOARD NECESSARY

Officials Say That Local Tribunals Cannot Effectively Deal With Exemption Applications—Coping With the Problem of Service.

For the banks, the railways and other large organizations, whose systems are national or even provincial in scope, the enforcement of the conscription measure is a problem with complexities which are being emphasized in a manner to indicate that they had not been given careful consideration in the framing of the act. The local tribunals in their function of dealing with local cases and local conditions will obviously not be able to properly decide in the matter of exemption requests in an organization covering a large territory, when it is desirable that the necessary strain upon the working facilities should be evenly distributed. Managers of branch banks, for example, will be able to see that the eligible members of their staffs are examined for physical fitness and will be in a position to make recommendations as to what they consider may be the best arrangement of available forces, but in order that the best banking service be given the country, it will be almost necessary that the applications for exemption be decided by head office and that the same general standard be applied to all the banks.

At the present time the situation is very unsettled. Head officials of the banks are giving the matter their attention, but until there is something more definite from the Government authorities they are uncertain, as to what course to pursue. The problem is being handled in a general way by a committee of the Canadian Bankers' Association, and it is probable that this committee will succeed in having the matter considered by a central tribunal. In the meantime eligible members of the bank staffs are being asked to go up for medical examination in order to decide their fitness for service.

An Essential Service.

Although the attitude of bank officers on the question of conscription is that it should be carried out to the letter so far as possible, and although there may be a question as to how far banking is an "essential occupation," it must not be forgotten that the banks are an integral part of our industrial and agricultural system. Nor should it be overlooked that the enlistments from among the bankers have been heavier perhaps than from any other walk in life. Already girls have been introduced to fill the vacancies until they represent about 30 per cent. of the total, and the male members are undertaking much heavier duties than under normal conditions.

The point as to the extent to which the staffs may be further drawn upon without seriously endangering the efficiency of the system, and the other point as to how many exemptions may be applied for or necessary are rather clouded at present. One of the first things to be decided is the number of men who are likely to be called upon. When the eligibles are added to the number who have already joined up since the conscription proclamation, the officials will be in a better position to judge of the whole situation. Exemptions will not be applied for where they will not be absolutely required to preserve the efficiency of the service to the public, and, of course, will be for the highly trained and experienced men, such as managers and accountants, whose services cannot be replaced by youths, men of mature age or girls.

The Girl Question.

As to the proportion of female labor which may be assimilated into the banking system there appears to be some difference of opinion. In some cases they make a success in the "cage" and other responsible positions, but these cases are the exception rather than the rule. However, it is generally considered that girls are being brought into the service just as rapidly as possible, and to the greatest possible extent in view of the service of the banks to the public.

As to Consolidation.

If the need for men becomes more insistent, it may be that some branches will be closed. In such an event, the first to be dispensed with will, of course, be those which were opened for the convenience rather than the service of the public. Also in centres where there are two or more branches, it may be that some **agreement of elimination or amalgamation may be arrived at. However, in the latter connection, officials are somewhat dubious as to the net benefit in view of the fact that changes could only be made with considerable labor, and the other fact that where they are made, there is a larger volume of business and more urgent need for the class of well trained clerk whose numbers are now so seriously depleted.**

As it is with the banks, so it is to a more or less extent with the railroads, telegraph companies, telephone companies and other organizations where, even though they may operate in local units, it is necessary in order that the most efficient service may be rendered to the public that each unit must be considered in relation to the system as a whole. For this reason it would appear imperative that a central tribunal should deal with such cases.

PRAIRIE FARMER MORE PROSPEROUS THAN EVER

Thomas Findley, of Massey-Harris Company Talks of Conditions in Western Canada.

That the harvest in the Canadian West is much better than was indicated by the pessimistic reports of July and that with the high prices prevailing the Western farmer will have more money than he ever had before, is the conclusion at which Thomas Findley, president and general manager of the Massey-Harris Company, has arrived at after a tour of the prairies. Mr. Findley, who has just returned from the West, informs THE FINANCIAL POST that, with the exception of some of the southern sections of Saskatchewan, there is a very fair yield and that it is of good quality. The result of such a crop at the present market will be to place the Western agricultural community in a position as regards financial standing which would not have been considered possible a few years ago.

Mr. Findley went West about the middle of July, and, after a brief stay at Winnipeg, started his tour through the grain producing districts —a tour which included many of the chief agencies of the company in Manitoba, Saskatchewan, and Alberta while numerous motoring trips were taken through the grain fields.

The splendid financial position in which the Western farmer now finds himself is being reflected in prosperity in practically every line of business, although, of course, the cities and towns are still suffering to some extent from the after effects of the inflation of real estate values which occurred some years ago. So far as agricultural implements are concerned, the difficulty of the company is to meet the demand, a state of affairs which reflects the shortage of labor and costly raw materials in the manufacturing end of the business. This demand may be expected to continue with the outlook for a continuation of such high prices for grain as will serve to encourage a development of productive areas.

GOVERNMENT SAYS MEETING ILLEGAL

Interesting Developments Expected in the P. G. E. Case at Victoria.

Special to The Financial Post

VANCOUVER—When the sixth annual general meeting of the Pacific Great Eastern Railway was held at the head office of the company in Victoria, the directors, Foley, Welch, Tate and White, who left the Province at the time of the Government's investigation into the affairs of the company, failed to put in an appearance. In addition, another director, Brigadier-General J. W. Stewart, was not present owing to his absence with the C. E. F. in France.

The report of the directors was adopted by the meeting, and Gen. Stewart, D'Arcy Tate, Timothy Foley, E. F. White and F. Wilson were reelected to the directorate, while the present officers of the company were re-elected. It will be remembered that the Government at its last session, issued a writ gainst the company claiming malfeasance in office against certain of the directors, all of whom could not be located when the formal issuance of the writ took place. These directors were all represented at the meeting by proxy, while the Government was not, taking the ground that the directors are not legally appointed and that the holding of the meeting therefore was illegal. Further action following up the writ will be taken shortly in the courts.

The annual report of the directors refers to the action of the present Government in ordering an audit of the company's affairs instead of which the directors claim an investigation was held into the private affairs of the directors and their dealings with the former Government. Owing to the prolonged struggle, the report adds that the company will mark time in the meantime.

POLITICS MENACE RURAL CREDITS OF WEST PROVINCES

Public Management of Business Affairs Not to be Trusted.

SEED LOANS CASE IN POINT

Governments Take Advantage of Position to Grant Credits Which Must Eventually Prove Heavy Strain on Credit.

By HUME CRONYN,
Managing Director Huron and Erie Mortgage Corporation.

Being portions of an address before the Farm Mortgage Bankers' Convention, Minneapolis, of interest to Canadian investors.

It may well be asked, whether there was any crying need for a government, at the expense of the general taxpayer, to embark upon a scheme for the benefit of a particular class. Perhaps the reasons are best given in the words of the president of one of our western grain growers' associations, who in a more or less jocular vein, remarked that what the farmers wanted was a creditor who (1) would lend money at a low rate of interest; (2) refrain from pressing too sharply for its repayment; and (3) allow borrowers to repay at any time convenient to them.

There can be little doubt low rates and wide privileges of repayment are ideal conditions for a borrower, but not always a possibility with the commercial lender who must make his business yield some profit and who cannot compel his debenture holders to accept repayment before the due date of their securities.

As to item (2) it is open to question whether even a government can afford to have its mortgage debts remain long overdue, or whether it is in the true interest of the mortgagor for it to do so.

Beyond these outstanding attractions, we cannot blind ourselves to the fact that in Canada, mortgage lenders as a class are not exactly objects of popular affection. Along with the coal merchant, the plumber and the medical specialist, they enjoy the reputation of charging all the traffic will bear. Perchance, indeed, they have inherited along with their business reputation of those Shylocks who were its originators. There are in this, as in all other walks of life, men of that unreasonable, narrow character whose unvarying reply to the pleadings of an unfortunate debtor is based upon the incontrovertible statement "It is so nominated in the bond."

The general lines followed in all provinces are as follows:

1. Agricultural associations have been formed under the control and management of permanent officials, and subject to governmental or legislative supervision.
2. These associations are offering to the investing public bonds running from 10 to 30 years, which bonds are either direct obligations of the province, or are secured by a deposit of mortgages and the unrestricted guarantee of the province.
3. The funds thus obtained are to be lent upon first mortgages of improved farms, repayable by amortised payments spread over a period of from 20 to 40 years. In no case must an advance exceed one-half of the value of the security as determined by the association.
4. The rate of interest charged the mortgagor must not be more in British Columbia than one and one-half per cent., nor in the other provinces more than one per cent. above the rate at which the association or province floats its bonds.

Provincial, Not National in Scope.

In comparing the Rural Credit System so far as it has been established in Western Canada, with your Federal Farm Loan Act, the outstanding difference arises from the fact that the United States measure applies to practically every portion of your country, and is controlled by a federal body. In Canada, the Dominion Parliament has not yet dealt with the idea, although a federal measure has been mooted in the press and at the late convention of the Liberal party in Winnipeg was adopted as one of the planks of its platform, but to date each province has been left free to provide some measure which may be effective within its own borders.

The next contrast, and one which must have an important bearing on the Canadian situation, arises from the fact that our provinces find the moneys needed for this purpose either by a direct obligation and pledge of the credit of the province, or by a guarantee of the bonds issued by their agricultural associations. In the United States, as I understand the act, the loanable funds are not supplied from the Federal Treasury, nor are the bonds issued by your farm loan banks guaranteed by the country at large, unless, indeed, one is to treat the subscription by the United States of stock in the land banks to be in the nature of an indirect guarantee. In your country it is evidently believed a market can be found for bonds secured by a deposit of farm mortgages, with the triple guarantee of the mortgagors themselves (up to the amount of their double liability on stock held) the Federal farm mortgage associations, and the Federal farm land banks.

Strain on Provincial Treasury.

The method involves, if it proves successful, a constantly increasing strain on the financial resources or credit of the provinces interested. Official records show that in Manitoba alone institutional mortgage investments aggregate $117,000,000, over one-half being credited to mortgage companies. Of this amount about $60,000,000 are represented by farm mortgages. Should the declaration of peace be followed by renewed immigration, this latter sum might easily be doubled within a few years. To care for even a fair proportion of that amount might embarrass the most sanguine of provincial treasurers.

Amortization Not New in Canada.

Those of us whose business may be threatened by governmental competition will be thought to look with a jaundiced eye on the whole proposal. Were it not for the need of earning profits for our shareholders (and incidentally our salaries) there are some of us who would be only too glad to offer our borrowers all the advantages which are claimed by these governmental methods. There is not, and has never been, any difficulty about making farm loans on the amortization plan. As explained earlier, the custom of limiting the duration of mortgage loans to five years arose largely, if not altogether, from the Dominion law so long in force, whereby borrowers are entitled to pay off a long-date loan after five years. Leaders naturally felt that as this law did not give them the reciprocal right to call in their loans before maturity, or to repay their debenture-holders ahead of time, it was necessary to protect themselves by adopting a five year term as one best fitted to meet the conditions imposed.

On the question of rates of interest, we naturally enough believe that in economical and efficient management the private corporation equals (if it does not excel) the best efforts of anybody subject to public (and perhaps political) control. This being so, an examination of the records of Canadian mortgage companies will show their stockholders have received, by way of dividend on capital invested, what approximates to the interest rate on mortgage investments current at the time. To take the case of the company with which I am most familiar, for the past 25 years all new issues of stock have been made at a premium of from 75 to 100 per cent. On this basis, the dividends paid during the same period have yielded on this new stock an average return of less than 5½ per cent., surely not an extravagant rate.

Distrust of Political Control.

Speaking, so far as one can, from an unprejudiced standpoint, I am inclined to believe the most serious criticism of the scheme arises from a deep-rooted distrust of the efficiency of public management of business affairs. Let us take it for granted that eventually the business in each province will attain such a volume that cost of management can be kept within the limit fixed either by the act itself or by the estimates upon which the enterprise is founded. Will those officials in charge be unhampered by politicians (1st) in their selection of what are or are not good loans, and (2nd) in their vigilant determination to collect payments as those fall due?

We have had in Canada an illuminating experience of what may happen when money is lent by the country at large. Early in 1915, following a year of drought in certain sections of our West, the dominion government advanced over $12,000,000 for the purchase of seed grain and supplies for the distressed farmers. Providence rewarded this generosity with far the largest crop in the history of the country, and the war added hugely to its value, yet we find on the 30th of June, 1917, more than one-half of the amount advanced remains uncollected.

Will the borrower in urban committees be content to pay higher rates of interest than his more fortunate neighbor on the farm? If not, will not his political influence force an extension of the plan into a field where the difficulties will be vastly increased?

Will the credit of the respective provinces remain unimpaired by the increasingly large sums to be supplied if the plan be successful and the country grows? May not the depreciation caused by an over-issue of bonds or extensive guarantees, force down the value of and raise the rate on all provincial bond issues, thus laying on its people a burden greater than the advantage sought?

Bonds Free of Taxation.

At the present moment five to 15 years bonds of any of these western provinces—direct obligations and charged on all their assets—both rural and urban—are offered in retail amounts to net the investor better than six per cent. After allowing for the cost of marketing, it will appear that funds thus raised must cost the provincial governments concerned at least 6½ per cent. It, therefore, becomes clear, until some distinct change occurs in the money market, it will be impossible for western agricultural associations of their respective provincial backers, except at a loss, to carry on the business of mortgage lenders at the rate quoted.

As was to be expected in the initiation of an enterprise of this kind, where a government sets up a fully-fledged staff and department, the expense of administration cannot be met out of profits and must largely be charged against the general revenue of the country. Thus we see the provinces interested appropriating sums of from $10,000 to $50,000 to cover these expenses, with the expectation—perhaps a vain one—that in later years the outlay may be recouped from the profits of the association.

CANADA

"How Many of our Men are Liable to be Drafted?"

The Canadian business man is asking this question often, now that the Military Service Act is the law of Canada. A simple means of answering it at once is being provided.

Medical Boards are in process of formation throughout the country for the free physical examination of all men who apply. The first class liable to call includes all single men and widowers without children between the ages of 20 and 34 inclusive, all men married after July 6, 1917, being classed as single for the purposes of the act. In a very short time, the average employer may learn how many of his staff are liable for selection. Those adjudged physically unfit will be given a certificate which will secure them exemption from any Exemption Tribunal. Those found physically fit may still apply for exemption on any ground. The employer will be given a chance to decide if he should seek exemption for any employee whose physical condition renders him liable for selection.

This early medical examination, which quickly decides if a man is liable for selection or not, is a feature of the operation of the Military Service Act calculated to appeal strongly to the business community. It assists in definite planning for the future, enabling an employer of labor to learn at once what men will be left at their work and those who may be removed for military service. Haphazard withdrawals, the nightmare of business men of method and precision, are insured against by this timely arrangement.

Every employer of labor will find it to his advantage to note carefully the formation of Medical Boards in his locality and to be sure that his employees secure, as early as possible, this very important information as to their status under the Military Service Act.

Issued by
The Military Service Council.
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THE FINANCIAL POST
OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - - H. T. HUNTER
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SUBSCRIPTION PRICE:

Canada and Mexico	$3.00 per annum
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Great Britain, Ireland and Colonies having minimum postal rates	12s. 6d.
France and other Countries	16s. 6d.

Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

Published by

THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, Toronto.
MONTREAL, Southam Building, 128 Bleury St., H. M. Reid; WINNIPEG, 1207 Union Trust Building, C. W. Byers; BOSTON, 733 Old South Bldg., C. L. Morton; NEW YORK, Room 620, 111 Broadway, R. B. Huestis; CHICAGO, 1104-7 Fort Dearborn Bldg., A. H. Byrne; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet St., E.C., E. J. Dodd, Director.

Toronto, September 29, 1917.

THE "PROFITEER"

THE profiteer—Who is he?

The English language despite its myriads of unused words is continually being found unequal to the new conditions. For instance in war-time parlance we have the "profiteer". In the popular mind he is the parasite of war industrial activity—the person who gathers riches without labor and without risk. But it is difficult to pick him out; he is elusive—he is "the other fellow."

He is not the farmer who is getting $2.21 for his wheat and proportionate prices for other products. He is not the workman who is getting more than double his normal wage. He is certainly not the salary earner who may be still on a peace-time basis. He is not a class because he is condemned by all classes. If he is an individual he is very hard to find.

Webster's International does not know him. His identity will probably not be definitely established until after the war. Let us make a suggestion for future dictionaries:

PROFITEER.—In Canada, an individual who in the early days of the great war with foresight and initiative secured for the country shell and other orders for war supplies the production of which brought great prosperity for the people at a time when the industrial and financial situation was precarious.

WHAT PRICE HAS DONE.

TO GET right down to the bottom of things the big factor in the cost of living problem in Canada is that evidently the people want to eat as much as they did in peace times, without paying more for it. This despite the fact that they are well aware that the purchasing value of the dollar has declined as the result of war inflation, that conclusive figures prove a shortage of food stuffs and that if the men at the front are to have enough, the civilian population must do with less. And they are being encouraged in their unreasonable attitude by a near-sighted, trouble-feeding public press.

Aside from the benefits which have come to Canada as the result of the high prices at which we have been able to sell our exports of food surplus—a surplus increased by reduced consumption—let us consider the greater economic benefit which has accrued from the rising market. It has been the advance in price and nothing else which has resulted in individual curtailment of consumption throughout the country and in general elimination of waste. With a free democratic people this end—the saving of the necessary food for the men at the front—could not have been attained by any other means.

We would go so far as to state our belief that if the value of food had not advanced and the buying power of the people had increased as it has the civilian populations of the Allied nations would have eaten the army into defeat ere this.

THE PAPER THAT IS NOT WANTED

THE Montreal *Daily Mail* has suspended. It is a class of paper which should never have come into existence. It has been financed to a great extent—if not entirely—by contributions from Montreal financiers. When will financiers learn that such a policy is very unfair to the legitimate old-established publications They create unnecessary and often nasty competition and are seldom successful. In most cases where a rich man gives money to establish or help a newspaper it can be put down to vanity, or to serve some ulterior object. There are, of course, some exceptions. Sir Joseph Flavelle sunk nearly half a million trying to put The Toronto *News* on its feet. He had the money made in a fortunate investment outside of his business. He decided to give that money for the public good, and he tried—with the aid of an equally public-spirited man, Sir John Willison—to make The *News* a University for the masses, and it was conducted strictly on these lines. The same cannot be said of The Montreal *Mail*.

It is rather an interesting coincidence, that M. E. Nicholls, the promoter and conductor of The *Mail* prepared a report on the Newspaper Postal Situation in Canada. He singled out trade and technical papers for attack, saying they should not be allowed newspaper postal rates as they were of no public service. When the public were telling Mr. Nicholls his spoon-fed product was not wanted, the public of Canada, the United States, Great Britain, Australia and India, as represented by their Governments were calling on the trade and technical editors and showing them that their papers were indispensable in these times of stress.

WHEN THE BEARS MAY SUCCEED.

WHEN the general shareholders of a company are not acquainted with the actual standing of the concern and developments are such as to cause uncertainty the market is ripe for a raid—the stars of the bears are in the ascendency. Such an occasion has occurred this week. Toronto railway stock was hammered down seven points on small operations. Whether or not the readjustment was warranted the operation in itself was obviously a "professional" affair.

The shareholders of Toronto railway are very much in the dark—they are asked to maintain their confidence by faith alone. Operating expenses are increasing rapidly, heavy financial obligations have to be met in the near future, the franchise will expire in a few years; and yet the shareholders are merely given the general statement that "everything is all right" and that it is not advisable to reveal what is being done to meet the contingencies.

Bear raids are made in the dark—publicity is a light which dispels darkness.

COSTLY EXPERIMENTS.

TORONTO'S experience with its civic abattoir should be an object lesson to those municipalities which are agitating just now for the establishment of coal yards and other mercantile enterprises to be run as municipal undertakings. When prices of commodities are high there is of course a strong temptation to venture into such schemes. The average citizen gets the idea that the municipality can buy and sell more cheaply than any of its merchants and appeals to the civic officials to take action in the direction of supplying necessary commodities at cost. Experience teaches, however, that when a city or town steps beyond the limits of legitimate municipal enterprise it is bound to get into trouble.

It was this way with the civic abattoir in Toronto; it will be the same with the municipal coal yards that may be established this winter in certain communities. They may possibly flourish for a time but in the end they will prove costly experiments.

In the case of the Toronto enterprise the failure reveals a lack of business judgment and foresight on the part of those who invested the people's funds which can hardly occur where private capital must be interested and where the promoters must submit a scheme providing reasonable assurance of security and profit. The rather remarkable fact is that the failure is acknowledged and that the loss has not been taken out of public funds without explaining details as is so often the case where the people's money is concerned.

THE FUTURE OF AGRICULTURE.

THE important part that agriculture may be expected to play in the after-war adjustment in Canada is significantly emphasized in the report of the special committee of the Senate appointed to inquire into what is being done and can be done to best promote the "agricultural, industrial and trade interests of the country." The report with its nineteen recommendations is practically altogether devoted to different phases of the nation's great fundamental industry.

The agricultural outlook may be regarded with considerable confidence. The world is not only short of food stuffs to-day but promises to be for some time to come—during the war and after. The future guarantees of prices by the British Government may be taken as a guide in this connection; they may be regarded as an indication of what the market will be because we do not think that any government in England would face such a program without confidence that it would not be called upon to pay much if any above the world market.

Canada with vast areas of land which can be tilled with little "overhead" expense—with facilities for the production of that grain which the world needs—may well consider the best methods to increase production. Also she may well consider the development of her live-stock industry, for here again, high prices are assured for some time to come.

This is no argument that the present level of prices will be maintained after the end of the war. When war spending stops there will be a readjustment all along the line. Farmers and stock raisers will have to be content with less profits but the outlook is that the margin will still be sufficient to provide handsome returns to the efficient producer—the more efficiency the greater profit.

With so much depending upon the development of agriculture the Canadian people may well look anxiously to the appointment in the new government of a man of broad vision and great executive capacity for the businesslike administration of this great industry.

EDITORIAL NOTES.

AND we have the echo from a London pulpit that the millers are making $5.00 a barrel on flour. The effect of adding 0 to 50 cents.

* * *

IS IT only a coincidence that of the different factors concerned in the cost of living the middleman has the least influence in politics?

* * *

IN VIEW of the many reports we hear of how the price-fixing program is being "successfully" conducted in the United States, it may be interesting to note that the Food Administrator has recently announced officially to the New York Milk Board that "the administration has no authority to intervene or fix prices." Mr. Hanna is not the only Food Controller who has troubles.

* * *

THE Post Office department has finally issued a real three cent stamp. There is no doubt about it. It is not only clear in denomination but its size is convincing. Of course the excuse is the celebration of the anniversary of confederation and, therefore, the bulk of the credit must go to the late Sir John A. Macdonald; however, the Deputy Postmaster General is entitled to reflect the glory as an outstanding feat of his administration.

A BUSINESS MAN CONTROLLING THE NAVY

Sir Eric Geddes, Who Knew Neither Politics Nor War, But is Now a Power in Great Britain.

THE appointment of Sir Eric Geddes to take charge at the British Admiralty was a triumph for the few who have demanded that the administration of national and Imperial matters be in the hands of capable administrators. Sir Eric Geddes is a business man, an ex-lumberman, a railroad man, an executive of energy and initiative. He knows nothing of politics—and cares less. But he has become a wonderfully efficient cabinet minister. He knew nothing of war; but to-day he is devising war-like methods and plans that are Napoleonic in their thoroughness. Geddes is the personification of the new Britain—John Bull awakened to action, throwing precedent to the winds and judging "muddling" to be the cardinal sin.

Judson C. Welliver contributes a splendid sketch of Geddes to Munsey's Magazine, written moreover before Geddes reached the Admiralty, which reads in part as follows:

Immediately after the battle of Arras, last April, the Germans undertook a heavy counter-attack in order to recover the valuable ground from which they had been driven; but their effort was smothered by a tremendous volume of British artillery fire.

Now, according to all Germany's learned professors of the art of war, there was no excuse for a heavy artillery fire at such a place and time. The big guns had no right to be there, right on the heels of the storming parties. The Berlin Tageblatt voiced the German disgust. It felt that something distinctly unsportsmanlike was involved in the reprehensible haste of the British in getting their artillery up so soon that there was no chance for a counter-attack, such as the rules prescribed in such cases. There was justification for complaint, and the Tageblatt ponderously announced its displeasure.

Utterly lost to shame, the British commander, Field-Marshal Sir Douglas Haig, had the effrontery to mention in despatches that the transport arrangements which had made the thing possible were wonderfully efficient, and entitled to a great share of the credit. He went so far as to name the culprit responsible for this violation of Germanic ideas of military propriety. The man he named was Admiral-General Sir Eric Geddes. For, though never a sailor, Geddes is an admiral; and though only an amateur soldier, he is a major-general.

At forty-two years, this man has come to stand forth as probably the foremost master of the art of co-ordinating industry and transport with military organization; and that, it may be observed, is the vital factor in making and winning modern war.

Sir Eric has out-maneuvered the Germans in their chosen field. He beat the Krupps at manufacturing munitions, and having manufactured them he built military railroads to take them to the firing-line faster than the Germans could use the tracks they had already built.

The Labors of a Modern Hercules.

The time will come when men will speak of Geddes's accomplishment in 1916 as they have for a century discussed Napoleon's revelation of military genius in the Italian campaign of 1796. There may be tasks in grand organization too big and complex for him to handle, but none has been found as yet; and lately the British government has managed to set a new and harder labor of Hercules for him to tackle about every six months.

Before I attempted to chase the genius of this man into its lair and study it under the microscope and the X-rays, I had already heard rumors about him. At a great British port where ships were being loaded and unloaded in record-breaking time by a new system, I listened to the explanations, and asked how it happened.

"Geddes!" whispered the harbor-master.

A glimpse through the marvels of war-time ship-building methods on the Clyde again inspired the inquiry as to the responsible personality.

"Geddes!" was the explanation.

Later, in a great foundry, I saw hundreds of women manipulating huge cranes that tossed half-ton ingots of white-hot steel. Other women worked the hydraulic presses that forged the fifteen-inch shell-casings; yet others handled the giant lathes that bored and shaped and measured these castings into finished shells. This was truly industrial revolution—the men firing the great weapons at the front, the women making the guns and ammunition at home. How did it happen?

"Geddes!" they told me.

Half a county full of workshops, warehouses, strange industrial establishments, fed by a hundred miles of railway, employing thirty thousand people in turning out just one necessary of war—that stirred the same inquiry, and brought the same brief answer:

"Geddes!"

Newspapers told about a corps of expert Canadian lumbermen being turned loose in the woods of England and Scotland, to rip out almost overnight the timber that must be supplied in France, and for import of which no ships were available. Whose idea was that?

"Eric Geddes's," they told me. "You know, he was a lumberman in America."

Over the cables came the amazing yarn that the Parliament at Ottawa had presented eight hundred miles of frontier railroad to the empire. It would be ripped up and sent, rails, ties, cars, locomotives—lock, stock, and barrel—to France, and laid down again for war work.

"Who on earth," I began, "ever—"

"Oh, Geddes, of course!" I was informed. "He learned railroading in the United States, you know, and practised it in England."

Over in France, in an area which the Boche had evacuated two days earlier, I saw multitudes of experts building new highways faster than the Germans had been able to blow them up; putting in bridges; laying down field railways; paralleling them with water mains; all so fast that the van of construction was never safe from the fire of the retreating Huns.

"Who ever organized—"

The question was never finished.

"General Geddes, of course," they assured me. "He invented that sort of railroad when he was in India."

A little while later the government took over all the ship-building in Great Britain—naval and merchant, iron, steel, and wood, steam and sailing, big and little. It would have a Czar in charge of the whole business in order to systematize, cheapen, hasten.

"But for such a task as that who's big enough to—"

"Admiral Geddes," I was assured.

Manifestly, it was necessary to know more about this man Geddes, who seemed to be bossing the whole show. If it wasn't his war, it seemed likely that at least he would soon hold most of the stock.

His Personality and Methods.

Having caught up with Sir Eric, one feels real satisfaction in discovering a big man who quite looks the part. Six feet plus of typical John Bull, smooth-shaven, square-jawed, sinewy, sat behind a big desk in the big marble building labeled "Controller of the Admiralty." He didn't seem very busy; those who know his ways of working say that, like so many other men who do big things and lots of them, he never does seem very busy. His desk was immaculately neat and orderly. If business ever gets ahead of him, he manages to keep the evidence of it somewhere else than on that broad-topped desk.

"You understand," he explains, a bit apologetically, "I don't do very much, anyhow; the staff really attends to everything for me."

The staff! There's the real point. He is one of those men who know always where to find exactly the right man for the business in hand, and how to get him to undertake it.

"The way he does it," explained one of his lieutenants and devoted admirers, "is quite simple. He finds his man, puts him at work, and then stands between him and trouble. Nobody gets a chance to interfere, to muss things, to invent difficulties. Heaven help the person that tries to make worry for one of Geddes's force who's doing his job to Geddes's satisfaction. The place wouldn't be big enough to hold the row that would happen. Everybody knows that now, and so the row doesn't happen. The staff look upon him as their big brother. Of course, if he discovers that he has got hold of a slacker, the emergency exit is opened instantaneously, there's a quiet emergence, and somebody else goes on that job. That's all. But Geddes doesn't need to resort to such methods often, for he isn't given to mistakes."

Housing a New Official Department.

There's a story entirely characteristic of the man, telling how he went to work when he was put in charge of a big division of munitions production. There wasn't a convenient place for an office; everything was crowded and uncomfortable. Sir Eric looked around, and his eye lighted on a big structure just across the street. He went over.

"I'll take this building," he said. "Just what I need!"

"But you can't possibly have it," he was assured.

"But I must," he insisted; and now there are three thousand of his staff in it.

Later, when they gave him another big business to handle, the same trouble arose. There is never office room enough for government business in London, these times. A new building for the department of agriculture and fisheries was in leisurely process of construction. It would serve, Geddes decided.

"When can I move into this building?" he demanded of the proper official.

"We're working day and night to finish it. Can't possibly be done under three to six months," he was assured.

"Well, this is Thursday. On Monday I must have an office in that building, with telephone, desk, and rug."

Between Thursday and Monday a man climbed up on a scaffold, chiseled off the words "Agriculture and Fisheries," chiseled in the words "Armament Buildings"—and on Monday morning Sir Eric walked into his office, approved the rug, sat down at the desk, and started business.

That's the sort of man he is, all over. The things that he finds necessary have an almost uncanny way of happening. The impossible is not recognized in any department where he rules.

A Scotsman Born in India.

Geddes, as may have been suspected from his name, is a Scotsman, but he was born in India, in the shadow of the Taj at Agra. He is the son of a famous Scottish engineer who had gone out to India to build bridges. At an early age he came back to Britain and received his education at Merchiston Castle School, Edinburgh. Perhaps there is something significant in the fact that this institution was founded by the great mathematician Napier, the inventor of logarithms. Napier was something of a hand at cutting off mathematical corners, and his pupil Geddes is a wonder at lopping off industrial corners and clipping knots of red tape.

Geddes's First War Work.

He rose to the deputy-general managership of the North Eastern, which position he occupied when the great war broke out in 1914. The national emergency brought new opportunities for Geddes. Somebody told the government that he was the right man to do big things, and to do them in a hurry; so he was made chairman of the central committee of railway authorities for the mobilization of the northern district.

He had never been in politics, and his military experience was limited to holding a commission as honorary colonel in the Royal Engineers; but he was tremendously interested in the war as soon as it became England's real business. He proceeded to raise a pio battalion from among the employes the North Eastern system. It is no a battalion of the Northumberland Fusileers, and has earned high repute for its splendid work at the front in France. He was its first honorary commander and devoted much effort to its proper equipment and training.

But it was not fated that Geddes was to lead his men in France. Before they were ready to be sent to the trenches, he was summoned to the ministry of munitions. Mr. Lloyd George, the minister, had heard of this strenuous young Scot who could always find time to do a few more things and do them all well; and, although they had never met before, the man who is now premier, at their first interview, offered Geddes an important post in the munitions department.

This was the first really big war task to which he was called. He was put in general charge of the production of small arms, machine guns, heavy guns, scientific instruments, and optical glasses, and undertook supervision of the Woolwich Arsenal, the biggest in the kingdom.

At this stage of organizing war industry the problem of "circulation" in the munitions business was one of the most difficult. Circulation means what would be called in America "assembling." For example, the production of a shell involves first the making and then the putting together of a great number of parts. The empty shell is made in one place, the fuses in another, the detonator in another, the gaine in yet another; then there is an exploder, a cartridge, a propeller, an ignition device, and so on to the end.

Speeding up Shell-Production.

Remembering that there are some fifty components of a finished shell, every one of which must be perfect, all of which must be assembled in precisely the right way if the shell is going to explode at precisely the right time, and that all these fifty components are made in different places, it becomes reasonably apparent that the business of getting them together in the right quantities, in perfect condition, and at the right time, is something of an operation. That was the business that Geddes had to organize for the munitions department.

The big cast steel shell-casing is the most obvious part. Everybody knows about that, but at a certain point in the construction of the shell's mechanism there is required a little disk of a certain kind of cork about the size of a pin's head, and without that cork disk the shell is just as worthless as it would be if the casing had been forgotten. Likewise, there is a strip of a particular kind of cloth, for which it appears that Geddes had to draw upon Italy.

More quickly, they say, than any such huge task had ever been accomplished before, Geddes had perfected and put into smooth working order his whole scheme for assembling and finishing shells. The system was so nearly perfect that nobody has been able to improve on it since. It worked, and still works, precisely like the mechanism of a clock. Every component part arrived just when it was wanted, just at the place where it was wanted, just in the condition in which it was desired. Geddes attended to all that; and that is the reason why the British army in France, during the present year, has had shells to waste, and need not think of conserving them; while the Germans after forty years of laborious preparation, have been compelled to exercise the utmost care lest they should use more shells than can be spared.

Solving Other Industrial Problems.

Right alongside this business of manufacturing and assembling the parts, not only of shells, but of everything else in the way of munitions, Sir Eric confronted another, and in some ways even a more difficult, problem. The army

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PERSONAL

ROBERT LATHAM McCORMACK, whose tragic death took place on Sunday last as the result of an automobile accident in York County, was secretary of the Lehigh Conger Coal company of Toronto, and took considerable interest in the business which he founded in West Toronto in 1890. He was also a director of the Sun Life Assurance company. He took a prominent and interested part in business and public affairs of West Toronto and was also well known in business circles in the city.

MILNE MARTIN TODD, who has been elected president of the Galt, Preston & Hespeler Railway and vice-president of the Lake Erie and Northern Railway, radial roads operated by the Hydro-Electric, is third son of the late Martin M. Todd, whose death took place some weeks ago. At 24 years of age the new president is regarded as probably the youngest railroad chief executive in Canada. He represents the third generation of the family to hold the office, his grandfather having been one of the promoters of the line as well as its first president.

JOHN MANION, whose death took place last week at Fort William, was reputed to be one of the wealthiest men in Northern Ontario. Born in the Ottawa Valley he, like so many of the pioneers of that richly timbered section, engaged in the lumber industry with his brother Patrick J. The brothers also operated a line of stores along the construction works of the Canadian Pacific and it was probably this which linked him up with the West and resulted in his settling in Fort William twenty-nine years ago. For a number of years he had occupied himself with his investments and despite his eighty years maintained a thorough grasp of his financial affairs.

JOHN J. HARTY, who was elected president of the Canadian Locomotive Company, at the annual meeting last week, may be classed with the younger set of Canadian business men who have recently been coming to the front particularly in that field of energetic activity which has been opened by the war-time industries. For some years he has been the successful executive head of the concern and has made a particular reputation in the selling field; he has also held the office of vice-president. The new head of Locomotive is a director of the Wabasso Cotton Company, a director of the Dominion Steel Foundry Company and a director of the Hamilton Steel Wheel Company. He is son of Hon. Wm. Harty, who for some years was the executive head of the Kingston concern, was a large shareholder and was closely connected with its upbuilding.

SOME MORE PROBLEMS OF PRICE REGULATION

The Law of Supply and Demand Versus Fixing of Prices —Food and the Freeze.

Written for THE FINANCIAL POST by Agnes C. Laut.

Oil is as perfect an example of the unworkable character of price-fixing as could be picked. On oil and its derivatives and coal tar and its derivatives, the war may be said to depend as completely as a bicycle depends on ball bearings. Oils and coal tars are not the war, but they are the basic fuels without which the war cannot go on. Aeroplane, seaplane, cruiser, destroyer, motor car, motor transport, hospital ambulance, troopship, yes, and also the big $5,000 and $10,000 Whitehead torpedo shells cannot revolve a wheel without the oil fuels or coal tar explosive fuels. (Let it be put parenthetically here that Henry Doherty, the greatest gas expert living, and the second greatest producer of oil in the world, once proved to the scientists of London that they were wasting enough benzol —a coal tar product—in their city gas mains to run every motor car and battle ship in the British Empire.)

Naturally, with the war's sudden demands on gasolene and oil derivatives, the prices of oil fuels—as every motorist knows—went soaring. Mr. Bedford, of the Standard Oil, in accordance with the policy of price-fixing, at once came out with a demand on the public to forbear using up gasolene in pleasure riding and so forcing up prices. The government conservationists, who have set aside certain oil reserves in California for the navy, at once jumped on the band wagon and joined the chorus, which translated meant "stop taking out your motor cars if you want to keep down the price of oil!"

Henry Doherty stood it as long as he could. Doherty is one of the greatest practical scientists as well as one of the deepest economic minds in the world to-day. Incidentally, it may be added, he is forty-seven years old and controls two hundred of the best public utilities in America. Doherty has gone in on ground abandoned by the Standard Oil and by deeper science as well as deeper drilling has developed some of the most wonderful oil producers in *the world*. He also pretty nearly controls the natural gas field of the big mid-west, which supplies ten million families with gas for light and fuel at a combined cost of $35 a year. It is Doherty's ambition to put gas, or electricity, in every house in America —to make production so abundant that prices will be so low that every householder will be compelled to use gas or electricity as fuel.

"Supply" the Solution.

This is a process of reasoning directly opposed to the price-fixers. The price-fixers' theory is—put your pen point down at a figure, which shall be the impassable legal dead line—nothing above, nothing below. Doherty's theory is—hitch your economics to the great natural laws of supply and demand. Let prices soar to the moon! When prices soar, overproduction and superabundance will result naturally as growth after a rain. When prices soar, oil hunters will drill wells if they have to drill to the middle of the earth; farmers will raise wheat if they have to pay $5 a bushel for the seed and to work day and night; stockmen will increase their herds if they have to mortgage half their future life; for they all know with prices soaring, if they take chances and win—they will come out with a fortune; and that lure will stimulate bigger production than all the exhortations to patriotism ever uttered.

So when Bedford came out with the plea—"don't use your motor—save oil," Doherty came out with the counter-cry—"use all the motors you can buy—use limousines—use trucks —send prices up! When you send prices up, I and my staff of drillers can afford to exploit new wells and seek new wells at any cost; and when we seek without regard to cost, we increase the oil supply, which is what you need for this war. Oils you want. You give me prices and I'll give you oil. What is handicapping us oil men is not the scarcity of oil. You can't exhaust the earth's oil if you go deep enough! **What is handicapping us is the increasing cost of casing, of derricks, of steel, of labor; the uncertainty with Government commandeering whether we can get the casing and steel and piping at all; and the still more appalling uncertainty whether when we pay these war prices for steel and labor, whether your war taxes and profit taxes will leave us in the hole we have drilled, or only barely breaking even.** We are sacredly accountable to our shareholders for results. We are not politicians! Use oil, I say, but leave us alone as to prices and supplies, and we'll win the war for you."

Doherty didn't use those exact words! He is the most meticulously accurate man that ever uttered speech; but that was the rough meaning of what he said; and **his sentiments were a sudden boomerang biff in the middle of price-fixing.** There was a gasp! The next thing, Doherty was down in Washington, called to help untangle the awful tangle of the government butting into the wheels and cogs and belts and pulleys of the commercial machine; and he is there yet.

The September Freeze.

And on top of Doherty's warning comes the awful September freeze. I say "awful" because there isn't any use lying about it. The whole world was depending on Uncle Sam's bumper crop of potatoes and corn for human food and stock food; and both crops were very late; and the frost was killing. It will cost Uncle Sam one-third of both crops. The damage was, of course, chiefly on bottom lands—valleys and sea level where production is usually highest—where late vegetables—tomatoes, potatoes, beans, corn—were left bleached skeletons. On the hills, where the cold air does not sink and lie leaden, the damage was less. It simply stopped growth. Now according to price-fixers, all you need to do to ensure a full stomach to the world is to decree that thus far and no farther shall prices advance on these damaged crops. Set the price and save the world from starvation!

Not so reasoned Doherty on oil. Let the price soar; and the farmer will be able to finance his stock for another year. Hold the price down rigidly; and the farmer must sell his herds to save himself; and he is selling them to-day by the tens of thousands from Pennsylvania to Missouri. **So I say the September freeze promises to become historic as the sharpest test of the price-fixing policy that is to save the world from starving.** It remains to be seen—now that we know the corn crop is cut by 30%—whether Hoover will fix a price on corn. If you want to know just what the freeze did, don't read the government reports assuring the world that no damage was done. "Methinks thou dost protest too much"—much too much; but read in the Stock Exchange reports what happened to railroad and industrial stocks the day after the freeze! They are within 10 to 20 points of their level, when the panic of the war broke in 1914.

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MR. HANNA TALKS SOUND ECONOMIC SENSE ON FOOD

However, Blaming the Middleman is Not Presenting a Solution of the Distribution Problem.

Conservative opinion throughout the country must have been impressed with the soundness of the economic arguments advanced by Hon. W. J. Hanna, the Food Controller, in his recent statement as to the food situation which the country faces. It was his first comprehensive review of the problems which the country is experiencing which the Food Controller has given, and went far to sustain the confidence felt in his ability to deal with the issues to the best of his capacity—a capacity which is considerable. His statement will do considerable to offset the dangerous propaganda of many of the daily newspapers which seem inclined to encourage and inflame public opinion in the idea that war prices are for the benefit of the "profiteer" alone, and that the individual should have just as much food as ever, even though all figures prove that there is a world shortage, and that the civilian populations of the Allied countries must reduce their consumption or the troops at the front will not have enough.

However, it appeals to us that Mr. Hanna in pointing out the weakness of the present system of distribution in this country, has made a condemnation of the middle men which the public, in their present frame of mind, will regard with too much significance. Expensive distribution is a condition which is largely the result of a sparse population, and few centres of large population. It is safe to say that this cost has not, for example, increased with the war in proportion to the other factors entering into the cost of food. Further, the middleman is a development of a natural growth. He alone cannot be condemned, as he is part of a fabric which forms our whole economic system. If he were removed the whole fabric would have to be rewoven, and the point is that there is nothing to indicate that a better fabric would result—in fact it seems obvious that as the middleman has developed to fill a certain part of the scheme of things, he is fulfilling the duty assigned to him more efficiently than any other agency in sight. Discussing the middle men's side of the controversy, *Canadian Grocer* says:

Mr. Hanna's statement is born of a serious, although a hurried, study of the conditions of trade and of the systems of distribution by which goods reach the ultimate consumer, the public. He has discovered part of the truth—but not all of it.

In showing that any drastic attempt to reduce prices or to eliminate "middle men" would be sure to create havoc, the Food Controller has struck a sensible note. The daily newspapers, impractical as ever and with an eye to circulation, have been clamoring for price control and government supervision of distribution and for other wild and frenzied schemes. Mr. Hanna's summary of what would happen if anything of the kind were attempted is right to the point, but he has drawn the picture mildly. The elimination of "middle men" would not mean merely the forcible closure of certain wholesale houses and brokers' offices. It would mean the complete breaking up of the machinery of business. At a conservative estimate half of the men in the large cities would be thrown out of employment, temporarily at least. The unemployment and poverty which would follow would be widespread and not possible of substantial mitigation by any form of government help.

What would be the advantage of lower prices of food, if a large proportion of wage earners were thrown out of employment thereby?

The Food Controller is quite justified, therefore, in his assertion that it would be impossible to arbitrarily fix prices and to remodel our system of distribution because of the employment that would be created. He might have gone a step further and said that it would be inadvisable under any circumstances *because our present system of distribution is the most economical and the quickest, in fact the most efficient of any system that has so far been devised.*

It is not intended to say that the system as it stands to-day is perfect in all its ramifications and not open to improvement or simplification. Unquestionably, faults have crept in which might be corrected; but the principal, the central idea of distributing goods from manufacturer-to-wholesaler-to-retailer-to-public, is the only workable one that has been devised.

Some reformers would eliminate all wholesalers, others, more ardent still, would even look to the weeding out and perhaps the ultimate elimination of the retailers! Any student of trade conditions knows that a radical departure from our present system of distribution would in the long run actually increase the cost of the goods. It may sound somewhat of a paradox but it is true, nevertheless. The man on the street thinks that the "cutting out" of the middle man with his margin of profit would lessen the cost of the goods by just that much. He is wrong! The price would almost certainly go up. And why? Because a new method of distribution would have to be devised and in the long run it would prove more costly.

On the surface it unquestionably seems wrong that an article which costs in the making $1 should cost, say, $2 when it reaches the public. But the reason after all is not hard to find and all the theorizing in the world has failed to shake it. On the one hand we have the manufacturer turning out his product by the ton and on the other hand we have millions of homes scattered over thousands of miles buying by the ounce or the half dozen. It would be very simple if the householder could go to a big warehouse maintained by the manufacturer and buy the article and carry it away. Even that system would be very cumbersome and hard on the consumer, for it would mean that, instead of making one call at a near-by store and making the purchase of a dozen articles and *having them delivered*, the householder would have to tramp to a dozen places and carry the goods away. But, unfortunately, the idea is impossible anyway, because it so happens that one factory located, say, in Galt or Sherbrooke, makes all that is needed of one particular article to supply the whole of Canada. So the idea of the buyer going to the maker for the article, is impossible. It has been pretty effectively demonstrated that the mail order idea is an impossible one for the manufacturer. Few manufacturers have followed it out successfully and only in certain lines—goods generally that are sold on time and at high prices to cover interest, shipping expense, damage, bad debts and mail order advertising. It follows, therefore, that the maker has to go to the buyer.

The idea of the manufacturer sending out salesmen to sell to the public is, of course, absurd. It would mean sales staffs running into the thousands for every manufactured article on the market. Costs would go up entirely out of sight. And anyway the householder could not afford the time to buy each article separately nor the capital to lay in large stocks of goods as would be necessary under such a system. Therefore, arises the need, the absolute, iron-riveted, irrevocable need of the local store—the handy emporium where practically everything is carried in stock and which the householder can visit at any time to buy any article in any quantity, small or great. Only the most blind will attempt to deny that the retail store is absolutely necessary under our present method of living.

With that much established the question comes up as to why the manufacturer cannot go direct and sell his goods to the retailer. The only reason is that the manufacturer cannot do that economically. He would do it if he could. The manufacturer is in business for one purpose only, to make money. If he found he could get his goods to the public cheaper and thus increase his business by selling direct to the retailer he would do so. It would mean that, instead of the few travelers that he needs to call on the wholesalers, he would have to put on a big enough staff to call on all the retailers in all the provinces of the Dominion—perhaps a hundred in all. It would mean that, instead of shipping a carload to the wholesaler, he would make up hundreds of individual shipments in dozens and grosses and consign each one separately to all the quarters of the compass. His warehouse staff would have to be increased a dozen times, a score of times over. The cost of transportation would be doubled and quadrupled. Then the manufacturer would have to look after the collection of payment on thousands of small accounts, increasing his staff, increasing his bad debts and multiplying the amount of credit he would have to carry on his books.

And the crux of the matter is this: Every manufacturer would have to do all this, no matter how small and insignificant he might be. The number of travelers on the road would be almost beyond computation. The retailer would have time for nothing else but seeing travelers. It would be a deluge, a colossal joke!

To cover all this the manufacturer would have to make an adequate price on the article and, mark this, that price would be higher than that which the retailer pays by the wholesale method.

The proof of this is found in the fact that the manufacturers deal through the wholesaler. In comparatively few cases do they sell direct to the retailer, and then only to such merchants as are in a position to buy in large quantity.

On the other hand the method of handling goods through the wholesaler works out this way: The manufacturer sells in large quantities to the wholesaler. The wholesaler sends out travelers who sell perhaps half a hundred different lines to the retailer at once. These various purchases are sent out in one consignment and the wholesaler collects for them in bulk. The wholesaler is a factor not for the duplication of profit, as the rather ignorant and highly excitable newspapers imagine, but for *simplification of distribution and economy of cost.*

The Food Controller shows some appreciation of all this in his statement to the press as reproduced herewith. He bears heavily and unfairly, however, on the fact that inefficiency has crept in among middle men. Some there is, unquestionably; but a certain degree of inefficiency can be found in any business and always will be found until the day comes when human frailty can be eliminated. Mr. Hanna states, in support of this, that only 30,000 people in Toronto are actual producers and that the rest are engaged in the movement of goods. His figures may be correct, but he is entirely wrong when he asserts that the same percentage would be found in every Canadian city and town. Toronto is a distributing centre. The bulk of the work of distribution for all Ontario is done in Toronto. In a smaller centre, say Galt or Brantford, probably ninety per cent. of the wage earners would be found engaged in productive work. The stress that the Food Controller has placed on this point is unwarranted by the facts. It is a certainty that the inefficiency and "over-elaboration of processes" found in distribution and marketing is no greater than could be found in the manufacturing of the goods.

However, the Food Controller's statement will clear the air to some extent. It establishes one prime fact—a fact that the noisy theorists cannot assail—that drastic interference with marketing processes would bring the whole fabric of trade tumbling down like a house of cards and bury many of the howlers themselves in the landslide.

NATIONAL TRUST CO. AND C.N.R.

A Direct Denial of Malicious Statement by a Saskatchewan Newspaper.

The Western newspapers, and particularly those of Liberal persuasion, are never tired of condemning the "big interests," a term which they hurl indiscriminately at practically every business organization not controlled by the farmers. Sometimes, however, they overreach themselves to such an extent that it is advisable to "bring them to time." Recently in discussing the Canadian Northern deal, the Regina *Leader* said:

"Hence the Canadian Bank of Commerce and all its subsidiary interests, as for instance, the National Trust Company, of which Sir Thomas White was vice-president and general manager prior to being pitchforked by the Big Interests into the finance portfolio in the Borden cabinet, are deeply interested in having a good round price paid by the Canadian people for this worthless stock now lying in their vaults as an asset."

This reference to the National Trust Company is so unjustly incorrect and misleading, that W. E. Rundle, the manager, has written a reply to the editor of the Leader, which says in part:

"I desire to inform you that the National Trust Company does not now own, either directly or indirectly, nor has it ever owned directly or indirectly, a share of stock in the Canadian Northern railway nor has it ever advanced any money directly or indirectly upon the security of any such shares.

"I further desire to inform you that your suggestion that the National Trust Company is a subsidiary organization of the Canadian Bank of Commerce is also incorrect. The shareholdings of the bank are a small percentage—less than nine per cent.—of the total shares of the National Trust Company and never have been any greater."

CURRENT OPINION

THE CASTE FEELING.

Sir W. R. Nicol in *British Weekly*.

There were certain speeches in the debate on the Mesopotamia report, which were of enormous significance. Amongst these the worst was that by Mr. Arthur Balfour, who sneered at the Report, declared that the authors of it were themselves defendants, and announced defiantly that he would not permit Lord Hardinge to resign. Mr. Balfour's great services in America cannot be ignored or forgotten. But though now an advocate of democracy he is evidently possessed with the old caste feeling—the feeling that our adminstration in India is above and beyond criticism, the feeling that for the rank and file to express an opinion is to take an unpardonable liberty. Now it is this feeling that we must get over at any cost. The nation has been well convinced by the reports of recent Commissions that our administration in high places is unsatisfactory to the utmost degree. There is no insolence like the insolence of a bureaucracy. It is the insolence of men who have been bullied at the start and avenge themselves as they climb up by bullying those who are under them until it is impossible that the fresh air of criticism and suggestion should ever reach them in their stifling rooms. If the Government wishes to create a revolution in this country it could take no quicker way. For people are already watching jealously the lenity shown to those who have birth and position and the severity with which the ordinary man is treated. There was no more pointed and telling passage in all the debates than that spoken by Mr. Hogge. Mr. Hogge said a soldier of nineteen fell asleep at his post in Mesopotamia and he was now serving ten years' penal servitude for that offence. Were the eminent men mentioned in the Report to undergo penal servitude? Did they fall asleep, and were they wide awake now? The instance and the question were pertinent and unanswerable. We know already how some very guilty men in high places have been comfortably provided for. More than one of them is in a better position than he was after being condemned. This cannot go on safely. It imperils the whole structure of society.

A BUSINESS MAN CONTROLLING THE NAVY.

Continued from page 10

had been steadily draining the skilled labor out of the country, and it was necessary to devise a system for utilizing unskilled labor. It was Geddes who perfected the system that has made it possible for hundreds of thousands of women and girls to be employed in fabricating all kinds of supplies; in making fifteen-inch guns, and the shells they shoot; in manufacturing cordite, building ships, constructing aeroplanes, and all the thousands of processes, no matter how difficult and intricate, involved in munitioning an army.

Just one instance will point the moral of this particular department of Geddes's service in the British government. It was particularly necessary that the best of optical instruments—field glasses, sighting devices, and the like—should be provided for the army. Optical instruments, and particularly the manufacture of optical glass, represented one of the industries that had been practically relinquished to the Germans. For decades almost all that England had used had come from Germany.

Geddes discovered that there was one firm in England which had been persistently attempting, in the face of much discouragement, to compete with the Germans. He sent for its heads, divided the business into departments, and put the right man—Geddes always knows the right man—in charge of each department. Then he gave them plenty of money, and turned them loose to manufacture optical glass and instruments. The result is that to-day Britain has passed Germany in the development of this art. All the optical supplies required by her army and navy are now made at home, and recently it has been possible to turn over some of the surplus to England's allies. That was another Geddes accomplishment.

Geddes's System of Field Transport.

It was realized, soon after the battle of the Marne, that transportation in the field must play a very large part in the war; that the side with the best command of transportation, other things being equal, would have the best chance to win. The British transportation service had never quite produced the results desired; so, of course, Geddes undertook the job.

I saw the Geddes system in operation a few months after he had taken charge of it. To describe it adequately is well-nigh impossible.

Geddes has the genius of knowing just how to make his department best serve the other factors with which it must deal. He understood, for example, that roads must be rebuilt or built anew; not only well, but with unexampled speed, in order that the supplies of a modern army might be moved over them fast enough. He saw that the Germans would always have the advantage in this regard, because their game was henceforward to be a game of slowly retreating. They would always be falling back into a territory gridironed with roads which they had constructed, would always be leaving a devastated region in which every foot of railroad would have been destroyed, every highway blown up, every bridge wrecked.

The problem of pursuing a retreating enemy in such circumstances—of bringing up transports, supplies, huge guns, to say nothing of the troops—was one of the greatest ever turned over to a military engineer. Geddes solved it.

I saw the Geddes system at work between Albert and Bapaume immediately after the Germans had evacuated Bapaume last spring. Along the main highway between the two towns—or rather what had once been the main highway—the Germans left nothing but wreckage. There was not a bridge, there was hardly a rod of usable road. Wells had been blown up or poisoned, so that there was no water supply. The country was a vast morass of shell-holes half filled with water, intersected by a complexity of trenches and barbed wire entanglements.

Geddes had everything ready for just this emergency. He had brought countless tons of broken rock all the way from England, stored it exactly where it would be most available, and provided five-ton motor-trucks to move it forward. The trucks were even loaded in anticipation of sudden orders to move. Field railroads of three-foot gage had been built in sections, ready to be laid down. These were stacked just where they would be handy when wanted. Locomotives, built wherever in the world industrial capacity could be found, were ready to handle the supply trains.

Timber had been cut and brought forward for the reconstruction of bridges. Water mains were waiting to be laid down, and pumping plants to be installed and set to work.

The moment the Germans evacuated a strip of territory, this Geddes organization pushed forward, often under the fire of the enemy's artillery. The speed with which it built roads, railways, telephone lines, telegraph lines, water supply systems, was utterly past belief. It represented, of course, the potential result of complete preparation in every detail.

That was why the Germans were not able to retire unmolested and settle down at leisure to hold the so-called Hindenburg line. The Geddes transportation scheme didn't contemplate letting the Germans hold anything unmolested. Before the battle of Arras began, the Geddes engineering organization was rebuilding the freight yards of Arras.

Master of all Military Traffic.

As director of military railways in England, Geddes's business was to handle all railway supplies and transport facilities. Barges for Mesopotamia, for instance, came within the purview of his operations. He straightened out the problems of transport in the East, and introduced and perfected the system of light railways in France. He bought old tracks in various parts of the world, pulled them up, and transported the material to the Somme and the Tigris.

His successes in these operations resulted in his being kicked up-stairs into a still bigger department. He was made director-general of transportation in all theatres of war. Everybody knows now that the perfection of the Allies' transportation system has been the basis of all their successes in France.

The old theory of military operations had been that the rail-heads ought to be kept within twenty miles of the fighting-front. Geddes promptly scrapped that idea, and substituted the theory that the ammunition ought to be there rather ahead of the guns! Somehow or other he actually managed to accomplish just that. The German counter-attack at Arras might very possibly have undone the British victory, but for the fact that before the Kaiser's defeated troops could pull themselves together and bring their reserves into action, the Geddes transportation department had brought up guns, munitions, supplies, everything, and the German effort was asphyxiated under the hellish fire of heavy and light artillery.

To get ships loaded and unloaded, docks cleared, and warehouses filled and emptied fast enough to keep traffic always moving, was early recognized as one of the great difficulties of war time; so Geddes was sent to organize the traffic of all the ports of Britain and France. In a little while the system doubled their capacity. It was thus that he was able to bring to France such vast quantities of road and railway material. The single detail of moving rock for ballast required a small fleet of carriers plying back and forth across the Channel.

All this time Geddes had been an honorary colonel. That was the only rank he ever held until one day he was gazetted for promotion to the full rank of major-general. He has never been a colonel, never a brigadier. In his capacity as director-general of transportation, he sent a commission to the East, and was getting matters in Egypt and Macedonia straightened out when it was suddenly discovered that a man of precisely his qualifications was needed to act as controller of the navy.

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NEWS OF THE BOND MARKETS

PLANS FOR WAR LOAN MOVING ON SMOOTHLY

Territory is Being Allocated to Various Teams of Salesmen.

HEADQUARTERS IN TORONTO

Whole Country Will Be Thoroughly Organized and an Army of Salesmen Will Be Mobilized.

The bond business has become very quiet. A few sales are being made but very little effort is being put forth to increase the number. The attempt would doubtless be fruitless, as the eyes of investors are now being directed almost exclusively towards war loan. All the activities of the bond houses are centred on preparations for this flotation. Notwithstanding the apathy of the market, some municipalities are still offering issues for sale by tender but it is doubtful whether any bonds can be placed to advantage until the end of the year.

Though no official statement had been issued up to Thursday night regarding progress in the making of arrangements for placing the fourth war loan, good headway has been made by those having the matter in hand. The field, in Ontario, at any rate, has been allocated to the various teams which have been formed through a combination of the forces of the Toronto bond houses, and within a week it is probable that these men will be on the ground, getting the local selling agencies ready for the campaign.

Toronto will likely be the headquarters of the entire Dominion organization. The publicity bureau is located there and the strongest aggregation of bond houses is to be found in this city. Premises large enough to accommodate a large staff are being secured and to these premises practically the entire office forces of the participating bond houses will be transferred. This will mean a virtual closing up of individual offices during the continuance of the campaign and a practical suspension of the ordinary bond business.

Taking Over Organization.

As already indicated, the Government is taking over the bond dealers' organizations. They will become government employees and will be paid for their services by the Government on a basis satisfactory to both parties. That there is to be complete cooperation in the undertaking is evidenced by the fact that teams will be composite in character. That is to say, men from one bond house will be distributed among teams manned by other bond houses. This will prevent the exploitation of any given territory by any special house.

It will be the duty of the various teams to proceed into their respective territories and organize them This will involve securing the support and assistance of county and municipal officers, bankers, etc., the formation of committees and the securing of salesmen. The districts will be carefully divided and territories assigned. It is hoped to enlarge the selling force so that there will be one man for each 200 prospects. In the actual selling, the expert bond salesmen will lend their support, especially in cases of difficulty, while the local salesmen will be paid for their work on a commission basis.

Over All Canada.

This roughly will be the general plan of campaign. The Maritime Provinces will be organized on corresponding lines by the bond houses of Halifax and St. John. The Montreal houses will deal with Quebec. As for the West, it will probably be necessary to have men from the east go out and assist the Western financial houses in organizing that extensive field.

On Thursday the officers of the life insurance companies met in Toronto and considered a proposal from the Finance Minister that they should turn over their agency forces for services in the campaign. Just what will be done in this direction was not known at time of writing, though it would seem likely that the assistance of these men will be extended.

As matters stand at present, the actual selling campaign will begin just as soon as the Liberty Loan campaign in the United States is concluded. At the same time it must not be regarded as entirely assured that the loan will be floated then. Representations have been made that a loan campaign and a political campaign will not work very harmoniously together, and, if the election should come along about the same time that the flotation is proposed, it might not be beyond the possibilities that the latter would be postponed.

MORE TREASURY CERTIFICATES

United States Government Makes a Fourth Issue This Week.

The fourth series of short-time treasury certificates of indebtedness, issued in anticipation of the second Liberty bond issue, was offered to the public on Monday by the Treasury Department. The issue, $400,000,000, is larger than any yet offered by the department, and bears interest at a higher rate, four per cent., as authorized in the war credits law signed this week. Previous issued have not borne higher than 3½ per cent. interest.

The total of certificates in advance of the second Liberty bond issue now amounts to $1,250,000,000.

Like those of the preceding offering, the new certificates will be convertible into Liberty bonds at par, and will be exempt from all income taxation except the surtax on incomes of more than $5,000.

SHERBROOKE.

City is Meeting Its Obligations Promptly as They Fall Due.

The City of Sherbrooks is meeting its obligations promptly. Debentures amounting to $25,000, issued in 1892 to cover previous issues, have been paid in cash on maturity at the Bank of Commerce. In 1916 bonds amounting to $50,000 were paid immediately they became due. Another issue of debentures of $90,000 will mature in 1920, and provision has been made to meet these on maturity.

NEW B. C. TAX.

Amusement Tax Now in Force in Coast Province.

The recent law respecting the levying of an amusement tax within the Province of British Columbia has been made effective recently, and in future all persons entering theatres will be obliged, in addition to the regular charge for admission, to pay an extra tax which will go into the coffers of the Government. This is one of the plans of the Government to improve it financial position, which during the past year or more is said to have been materially lowered. The following scale of prices will be in force: Tickets of five cents and under, 1 cent; from five to fifteen cents, 2 cents; from fifteen to twenty-five cents, 3 cents; from twenty-five to forty cents, 4 cents; from forty to seventy-five cents, 5 cents. The scale goes on as high as fifty cents for tickets priced over $2.50. From this source it is expected that the provincial treasury will be reimbursed to the extent of about $60,000 annually. The act does not apply to meetings of religious or patriotic nature, or at fairs or exhibitions. Penalties are provided for those who go into any place of amusement without paying the prescribed tax.

WINNIPEG'S HYDRO.

Company's Revenue for Past Year Exceeds Million.

According to the report of the Winnipeg Hydro-Electric System for the year ending April 30, the revenue reached the sum of $1,020,480, as compared with $995,511 for the preceding twelve months. Operating expenses totalled $318,974. Interest and depreciation items brought the total charges up to $935,906, leaving a surplus for the year of $84,575, which compares with $79,730 for 1915-16.

The total of sinking fund and other depreciation reserves now amounts to to $1,249,238. Also there is a special reserve of $24,476 for uncollectable accounts. The year-end revenue surplus is $168,178 and, from this growing item, it is expected to pay for a $200,000 extension to the plant, now in course of construction.

Now that the total reserve funds of the system are well over the million-dollar mark, the question of lower rates to power consumers is coming to the fore, remarks *Canadian Finance.* There are those who take the extreme position that no further addition should be made to reserves except to the extent of levies for the sinking fund which is calculated to retire the bonded indebtedness in forty years. The sinking fund contribution is 1.8 per cent., and is part (not in addition to) the 4 per cent. depreciation allowance prescribed by the Public Utilities Commissioner. It is the balance of 2.2 per cent. that is being added to special depreciation reserve—being a deferred replacement allowance to meet not merely ordinary wear and tear, but to provide against extra hazards and obsolescence of plant (a contingency to be reckoned with in electrical development).

Whether or not 4 per cent. is an unnecessarily generous depreciation allowance is for experts to decide; but certainly any future lessening of reserve provision in order to reduce power rates should be done only after most careful consideration.

SASKATCHEWAN LOAN CAMPAIGN IS AMBITIOUS

Western Province Makes Strong Appeal to its Citizens.

PRESS BACKS THE SCHEME

Greater Production Loan Week is Arranged for, During Which Special Effort to Sell Bonds Will Be Made.

In the working out of plans for the sale of its Greater Production Loan, the Government of Saskatchewan has shown itself to be alike enterprising and capable. The campaign is proving to be no haphazard venture. It has been entered upon with great energy and skill. Not only is extensive press advertising being indulged in, but by means of special appeals to the farming community, the placing of booths in stores, and exhortations from the press and platform, an extraordinary effort is being made to dispose of the two million dollars' worth of bonds offered within three weeks.

Next week will be known as Greater Production Loan Week. Advertising running to large space in the newspapers will appear daily. Stores containing booths will be asked to invest a percentage of their profits in the bonds and to the farmers will come a special Thanksgiving Day appeal to put five per cent. of their receipts from this year's crop into the loan. In this way it is hoped to work up sufficient interest to carry the scheme through with a swing.

In some senses Saskatchewan has gone Sir Thomas White one better. They are only offering five per cent. for the money, and if they can float their loan at that rate, they will be achieving something unusual. Whether the sale of these bonds this month will interfere to any extent with the Saskatchewan subscriptions to the war loan in November remains to be seen. The Finance Minister refused permission to Montreal to float a loan before the Dominion financing had been completed, and in view of the fact, it is rather surprising that Saskatchewan should have gone ahead with their undertaking.

The attitude of Saskatchewan business men towards the loan is well voiced by J. A. Maharg, President of the Grain Growers' Association of Saskatchewan, who said in the course of an interview:—

"The whole trouble in the west is that all our monetary institutions, such as the banks, railways and many of our industries are practically financed by foreign capital, and our profits have been going out of the country. The only way in which this money can be retained is to enable the small producers to look after themselves.

"All the profits made go out of not only Saskatchewan but largely out of Canada to finance institutions in other places. My idea is that the only way for us to become prosperous and to remain prosperous is for us to finance our institutions as much as we can. As an instance of this take the Saskatchewan Elevator company. This is the only institution in Saskatchewan where all of the profits made are being returned to those who have contributed by those who have made these profits.

"This issue of debentures to the citizens of Saskatchewan will largely eliminate the middleman. It will bring the lender and borrower together as it were, and instead of the interest gained going out of the country it will be retained for the use of our citizens.

"It is unfortunate that it is necessary for the Dominion government to require to raise money in a similar way at the present time. Otherwise no doubt a much larger number of the provincial bonds would be subscribed for by the producers of Saskatchewan, but no doubt those who have a little capital to invest will divide it between the two issues.

"They are both worthy of support at this time when everything possible is being done either for the production of raw material or the finished products required for the successful carrying on of the war. This movement has been forced on my attention for a long time and I am firmly convinced that if we are to remain prosperous here we must take steps to keep in the province the money which is made."

A NAME SUGGESTION.

Portage La Prairie Man Would Appeal to the Community Spirit.

In connection with the naming of the new Dominion war loan, the suggestion is made in the Winnipeg *Free Press* by Adam Brown of Portage la Prairie that the name should be Community Loan. This, he regards, as an especially suitable designation, as it also suggests a plan for raising the loan.

"My suggestion would be," says Mr. Brown, "that each community, no matter how small, decide how much of the loan it could handle and when the bonds were placed on the market all stores and business places, that had facilities for selling, could take a portion of the bonds and sell them to people in their immediate vicinity. My idea would be that the scheme take a patriotic rather than a commercial aspect, and no one make a profit from the sale of the bonds.

"The government could place the matter in the hands of the mayors and reeves in the different towns and municipalities and they could enlist the best business talent in their respective communities. By taking this course they would have a Dominion wide organization that would be hard to beat. There would be no expense attached to it and easily one half million dollars could be saved in marketing the bonds.

"To create an interest, a competition between communities could be instituted as to which would dispose of the largest percentage of bonds per capita.

"The benefits accruing from this plan would be many. Besides obtaining this money it would develop the "Community Spirit." There will be a great advantage to the taxpayer owning bonds, for when he is taxed by the government for the redemption of these bonds he will be getting his taxes back again when the bonds are redeemed. In view of this each community should take all they could possibly handle so that when the time comes to liquidate these great war loans they will be paying [illegible]

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DEBENTURES FOR SALE.

County of Carleton

TENDERS FOR DEBENTURES

SEALED tenders, addressed to the undersigned, will be received up to Wednesday, October 3rd, 1917, at noon, for the purchase of $60,000.00 to be issued, dated the 20th day of September, A.D. 1917. Each Debenture will be for $3,739.22, which includes interest at the rate of five and one-half per cent. per annum, or for less amount than $3,739.22, at the option of the purchaser, but not to exceed $3,739.22 for principal and interest each year, and shall have attached to them coupons for the payment of the said interest, accrued interest, if any, to be returned. The above debentures are for forty years.

CHAS. MACNAB,
County Clerk.

Ottawa, Sept. 18th, 1917.

Chatham, Ontario

City Treasurer's Office,
Chatham, Ont.

SEALED Tenders, marked Tenders for Debentures, addressed to the undersigned, will be received up to 5 o'clock p.m. of October 3rd, 1917, for $45,000 of Hydro Extension Debentures, running for 30 annual payments.

Also for $26,000 Patriotic Fund Debentures, running for 10 annual payments.

And also for $60,000 Patriotic Fund Debentures running for 10 annual payments.

All the above Debentures will bear interest at 6% per annum.

These debentures will be payable when due on presentation at the Standard Bank here. Debentures will be issued in lump sums, or with Coupons, to suit purchaser, and redeemable in equal annual payments.

Tenders to state lump sum (not including accrued interest). The purchase money to be deposited in the Standard Bank here, at which place the debentures will be delivered. A copy of the By-laws of the Council will be forwarded to the successful competitor.

Debenture forms to be furnished and paid for by the purchaser.

The Council reserves the right to reject any or all tenders.

R. G. FLEMING,
City Treasurer.

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TEN PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
MONDAY, THE FIRST DAY OF OCTOBER
next, to Shareholders of record at the close of business on the Fifteenth day of September.
By order of the Board,
GEO. H. SMITH,
Secretary.
Toronto, August 29th, 1917.

FIELD OF MUNICIPAL FINANCE

MAY ASK BANKS TO UNITE FOR CITY'S RELIEF

Minister of Finance Opposes Popular Loan for Montreal.

CITY IN A QUANDARY

Another Appeal to Ottawa Probable —Further Deficit of $3,000,000 Forecast for $1918—Rate of 6 to 6½

As was explained by Controller Villeneuve in an article that he wrote for THE FINANCIAL POST last week, Montreal is faced with the problem of finding the sum of $6,900,000 by the first of next December, when bonds issued three years ago will become due. Several plans have been before the civic authorities this week, all of them beset with difficulties. At the end of the week a deputation went to Ottawa and interviewed the Minister of Finance to ask for permission to float a public loan some time in November. This met with a refusal, for the reason that the success of the War Loan would be restricted to the extent, perhaps, of the civic loan, as the latter would bear a much higher rate of interest. There is a proposal to go on with the suggestion of the public loan and face the disapproval of the Minister, but it is probable that such a course will not be countenanced.

Alternative Plan.

Another plan was outlined to THE FINANCIAL POST by Controller Ross. This is, to ask the Minister of Finance to "request" the banks to meet the $6,900,000 when it comes due, with the understanding that a loan will be floated when the Dominion one is out of the way, say early in the new year. Or to underwrite a loan at once. Controller Ross also thinks that the holders of a large proportion of the bonds that are falling due, not only the ones on the first of December, but also the $6,100,000 on the first of May, could be persuaded to exchange them for bonds bearing a higher per cent., as these bore only 5 per cent. In this way the new loan would probably be less than half of the total of $13,000,000 that is pending.

"Inasmuch as the Government has asked us to step aside and leave them a clear right-of-way for the War Loan, they are under obligations to provide for us in some way. We cannot ask our fiscal agent (the Bank of Montreal) to take the whole burden," said Controller Ross, "nor can they go to the other banks and ask them to share the burden. The Government should ask them all to bear a part pro rata, and then later on, say in January, when the Government Loan is out of the way, and dividends are being paid, and coupons falling due on bonds, we could float the loan. This action on the part of the Government would establish no precedent, as it was very unusual for the bonds of Montreal to be falling due at just the time when a war loan was decided on. I would prefer that steps should be taken to care for the two loans at once. It is probable we shall have to pay 6 to 6½% for the new loan, compared with 5% on the last two."

Deficit for 1918.

In a report that will be presented to the Board of Control, it is estimated that with the regular sources of revenue there will be a deficit for the year 1918 of some $3,225,000. This includes $1,500,000 deficit for street repairs, snow cleaning and other works department items; $250,000 as increased interest on the new loan or loans; $350,000 for increased salaries for firemen and police; $200,000 for pension fund; $500,000 for special street work; $125,000 for extra policemen, etc. This does not take into account the portion of the $1,400,000 estimated deficit for 1917, for which no provision has yet been made.

The action of the Finance Minister in holding off the Montreal loan until after the Dominion is floated, means that the $6,900,000 would be due before there was time to float the Montreal loan, as the Dominion one is commonly set down for about Nov. 15.

Commission Wanted.

The movement for the appointment of a Commission for the government of the City of Montreal was strengthened this week by the adoption of a resolution in its favor by the Council of the Board of Trade. This will be presented to the members in the near future. The Council is giving strong support to the Commission idea, and has taken a definite stand for the members of this body being chosen by the Premier and not by any civic body or group of organizations in the city. This latter plan is fathered by Controller Ross on the ground that appointments by the Quebec Government would be removing the control of civic affairs from the people. The stand taken by the Council of the Board of Trade is that any election or selection that was left to the public as is done at present with the Board of Control and City Council, would be no improvement on existing conditions.

SASKATCHEWAN'S GROWTH.

Dominion Census Figures for 1916 Have Been Made Public.

Preliminary figures showing the results of the Dominion census taken in Saskatchewan last year have been issued. These give the province a population, on June 1, 1916, of 647,835.

Of this number 363,787 were males and 284,048 females. Compared with the population of 492,432 in 1911, this represents an increase of 155,403, or 31.55 per cent. in five years; or it marks a ten year increase (1906-1916) of 390,072, or 151.53 per cent. The growth of the province between 1911 and 1916, owing to the war, was much slower than during the preceding five years, when the increase was slightly more than 91 per cent. In 1916 there were in the province 128 males to every 100 females, as compared with a ratio of 145.3 in 1911, and 145.5 in 1906.

The preliminary statement of the statistics of agriculture for Saskatchewan, collected at the 1916 census, shows that from 1911 to 1916 farm holdings increased from 96,372 with an acreage of 28,643,985, to 104,006 holdings, with an acreage of 36,800,698 acres. The total land area of the province is placed at 155,764,100 acres.

A FINANCIAL PROBLEM.

Edmonton's School Board Debates Disposition of Capital Monies.

The School Board of Edmonton have been debating what disposition to make of a sum of $400,000 at present on hand. The money was raised two years ago for the erection of new buildings, but as no new construction is likely to be undertaken for some years to come, a question has arisen as to what should be done with the money. At present it is in the capital account at the bank drawing 3 per cent. interest, while the board is paying 5 per cent. on the debentures.

It has been urged that the money should be used to meet the current expenditure of the schools, but the board take the position this cannot legally be done, as the money was obtained for building purposes alone, and cannot be diverted into any other channel.

A TELEPHONE TANGLE.

Cobalt Has Trouble With the Local Telephone Company.

The Town of Cobalt has been having trouble with its telephone system. The Temiskaming Telephone Co., which supplies the service, was unable to come to a satisfactory arrangement with the town for the renewal of its franchise and on September 20, the wires of the company were cut, leaving the town without local communication.

The trouble dates back to five years ago, when a revision of the rates was asked by the Board of Trade of Cobalt to equalize the Cobalt rates with those of Haileybury and New Liskeard, which was refused. Later, the Ontario Municipal Board was appealed to, and a decision for the company was given. The matter was then brought to the attention of the Premier of Ontario, who advised the council to wait until the expiration of the franchise and the taking of necessary steps at that time to secure their demands. The work of removing the system will be commenced immediately and tenders are being asked for the installation of a new system. The telephone company will apply for an injunction to prevent the removal of their equipment from the streets.

According to the recently published city directory of Windsor, Ont., that city now possesses a population of 31,108. The combined adjoining municipalities of Walkerville, Ford, Ojibway and Sandwich are credited with 10,428, while the Townships of Sandwich East and West add approximately 5,000 more, making a total population for the Detroit frontier of 46,536 persons.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Oct. 2, School Commissioners of Coteau St. Pierre.—$200,000, 40-year, 6% debentures. G. F. Paterson, Secretary-Treasurer.

Sept. 29, Ottawa.—$120,000, 5½% local improvement debentures of varying maturities. H. L. Corbett, City Treasurer.

Oct. 3, Carleton County.—$60,000, 5½%, 40-year debentures of the County of Carleton. Chas. McNab, County Clerk, Ottawa.

Oct. 3, Chatham.—$131,000 debentures of the city of Chatham debentures in three lots, (1) $45,000, 6%, 30-installment, hydro extension; (2) $26,000, 6%, 10-installment, patriotic fund and (3) $60,000, 6%, 10-installment, patriotic fund. R. G. Fleming, City Treasurer, Chatham, Ont.

BY-LAWS PASSED OR DEFEATED

Ottawa.—The following by-laws were passed by council on Sept. 4 and registered, Sept. 7:—$19,957 for sewers; $38,335 for sidewalks and pavements; $101,016 for street widenings; $229,565 for pavements; $2,226 for pavements on Dalhousie St.; $120,984 to consolidate local. improvement by-laws; $231,791 to consolidate by-laws. Total, $743,878.

Stratford.—$50,000 for patriotic fund, to be raised by issue of five-year, six per cent. debentures, passed by council, Sept. 17. At same meeting a by-law for $30,000 debentures for the new hydro sub-station was given its third reading.

BY-LAWS TO BE VOTED UPON.

October 9, Chapleau Township, Ont.—$6,000 for addition to pumping station and installation of an electrically-operated pumping unit.

DEBENTURE NOTES.

London, Ont.—City Treasurer Bell is advertising for applications from citizens for the purchase of five-year city of London debentures, to yield six per cent.

Winnipeg.—Among the by-laws to be laid before the ratepayers at the next civic elections, will be one to provide a considerable sum of money to inaugurate a pension system for city employees, or rather to substitute a proper scientific pension plan for the existing spasmodic and confessedly unsatisfactory practice of dealing with individual cases as they arise.

SASKATCHEWAN.

The following is a list of debenture applications granted by the Local Government Board during the week Aug. 27th to Sept. 7th:

School Districts.—Sunny Corner, $2,500; Cymric, $2,000; East Butte, $1,600; *Sceptre, $7,000; *Taelman, $1,200; Green Corn, $1,800; *Franko, $700; South Trail, $1,200; *Sand Hill, $1,200; *Aisne, $2,000; Return, $1,800; Festubert, $1,800.

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*Being sold through Local Government Board.

Towns.—Wilkie, $6,000; Wadena, $6,400.

Rural Municipalities.—Bitter Lake, $5,000; Winslow, $6,000.

Rural Telephone Companies.—Authorization will issue on evidence of a satisfactory sale being submitted.—Glenavon South, $3,700; Richard, $11,000; Alsask, $21,500; Hafford, $13,200; Ferland, $22,000; Elrose, $11,300; Shell River, $9,900; Birch Hills, $5,700; Aneroid South, $18,200; Thurlby, $13,300; Wolfe, $8,000; Lac Pelletier, $3,100; Troy, $500; Ridpath, $8,300; Shackleton, $800; Longlaketon, $1,000; Last Chance, $3,800; Leslie, $3,400; Horse Lake, $7,100; Dewdrop, $5,400; Wabash, $10,300; Big Gully, $2,200.

The following is a list of debentures reported sold through the Local Government Board during the week Aug. 28th to Sept. 7th:

Rural Telephone Companies.—Meadowvale, $10,000; Winton Park, $15,600; Gottinger, $4,300; McGee, $6,600; Lancer, $22,700; Tiree, $4,900; Eldon, $3,500; Eye Hill, $38,500; Doyton, $8,000; Eddy, $5,500; Bright, $5,700; Deer Lodge, $10,000, to W. L. McKinnon & Co., Regina; Plymouth, $2,100; Loch Ayr, $2,200, to Bond and Debenture Corp., Winnipeg; Montmartre, $1,200, to Mrs. J. Burnett, Regina; Verwood, $8,000, to Pirt & Pirt, Regina; Maple Slope, $15,500; Bestville, $16,600; Elbow, $16,900; South Pennanr, $10,800; Springwater, $7,500, to Goldman & Co., Regina; Polar Crescent, $6,200; Conger, $3,600, to Kerr, Fleming & Co., Regina; Battlevale, $2,000, to Mrs. E. Rowed, Waseca; Eston Pioneer, $13,400, to May & James, Regina; Alpha, $2,900; Fortune, $8,600; McLaren, $6,700, to J. A. Thompson, Winnipeg; Wilkie East, $12,000, to W. L. McKinnon & Co., Regina.

School Districts.—Dundurn, $3,000; Kutawagan, $1,800; St. Magnus, $2,500; Bloomville, $2,300, to Gt. West Life Assurance Co., Winnipeg; White Creek, $1,600, to Bond and Debenture Corp., Winnipeg; Meryton, $2,000, to Mrs. A. J. Wickware, Birtle, Man.; Rowanville, $2,000; Eagle's Crest, $2,000; Sprayville, $2,000; Sunbeam, $2,000, to Canada Landed & National Invest. Co.; Nipawin, $800, to Nay & James, Regina; Glen Elder, $1,800, to Goldman & Co., Regina; Sharon, $1,800, to Diocese of Saskatchewan, Prince Albert; Sunny Valley, $2,000, to Western Canada Bond Co., Winnipeg; Colonsay, $7,000, to Can. Landed & National Invest. Co.; Iverrin, $2,000, to Gt. West Life Assurance Co.

BOND SALES.

$500 Bell Telephone at 92¾; $400 Canada Bread at 91; $6,000 Dominion Iron at 87; $1,000 Dom. Textile, Series A, at 99; $2,000 Montreal Trams. Debs. at 74¾; $10,000 N.S. Steel at 88; $1,000 Quebec Railway at 61 to 60; $2,000 Sherwin-Williams at 99; $1,000 Steel of Canada at 95; $2,500 Wayagamack at 81½ to 80; $14,700 War Loan (1925), at 97 to 96⅝; $53,000 War Loan (1931), at 95¼ to 95; $163,000 War Loan (1937), at 95½ to 94¾.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchase	Rate	Term	Amount	Price	Basis
Sept.	7—Sask. Schools (see list above)	Various	......	......	$36,600	....	....
"	7—Sask. Rur. Phone Co.'s (see list above)	Various	......	......	$71,500	....	....
"	15—Grimsby, Ont.	W. F. Morgan Dean & Co. Hamilton	6%	20-yr	17,500	....	....

Credit-Canada, Limitée
Government, Municipal and School Bonds
President. Hon. H. B. Rainville
Managers E. A. Ouimet
F. Saint-Pierre
179 St. James Street, - Montreal, Canada

A NEWSPAPER DEVOTED TO MUNICIPAL BONDS
There is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.
THE BOND BUYER
25 WEST BROADWAY NEW YORK, N.Y.

OPPENHEIM
THE biggest single feature ever secured by MACLEAN'S MAGAZINE is a serial story by E. Phillips Oppenheim, British author and a great writer of romantic stories.
The serial beginning in MACLEAN'S for October is "The Pawns Count," a story of the present war, dealing with the work of the secret service agents of the various belligerent countries. You can depend on its being a strong, thrilling story, told by a master of his craft.
Beland—Prisoner of War
The Hon. Louis Beland, a prisoner in Belgium since the beginning of the war, gives the story of his captivity, chiefly in the form of letters to Sir Wilfrid Laurier, in whose last cabinet he held a portfolio.
The story is intimate, vivid, gripping, wholly unusual, and appears in the October MACLEAN'S.
John Bayne Maclean
Col. Maclean contributes another chapter on the war situation as he knows it, in his forceful, smashing style. These articles by Colonel Maclean are truly startling by reason of their revelations.
Germany's Secret Work in Canada
Germany is plotting in Canada and the United States right now. If you are curious to know just what she is doing, learn from Miss Agnes C. Laut's article in the October MACLEAN'S, "The Plot Behind the Pacifists."
Beating the Customs
An article full of actual occurrences of how the public attempts to "beat" the Customs, and of how the Customs authorities beat the public. This absorbingly interesting narrative is by J. D. Ronald who, as a Customs officer, came into close touch with offenders and offences. A semi-detective article, this true story makes great reading.
Stringer, Fraser, Leacock and Hendryx
The work of these masters of the short and long story appears in the October MACLEAN'S. Stringer's story is "The Redeemer of Waste Lands". W. A. Fraser writes a love story, "For Catherine's Sake"; Leacock has a humorous sketch; and Hendryx continues his captivating story of the Canadian Northwest, "The Gun Brand."
MacLean's Magazine for October
At All News-dealers 15 cents

SURVEY COMPLETED.

Expert Investigating Saskatoon Taxation System Finishes Work.

Professor Murray Haig has concluded his inquiries into the incidence of taxation in Saskatchewan municipalities, states the Saskatchewan Public Service Monthly. He has been successful in accumulating an interesting mass of data and information, having visited all the cities, a large number of towns and many villages, making inquiries into taxation matters in each. He also conferred with the committee appointed by the Union of Saskatchewan Municipalities. The original committee, of which Mr. Mayberry of Moose Jaw, is chairman and convener, has done much to further the investigation. Professor Haig has now left the Province and is engaged in the preparation of his report which even if no very radical changes are suggested, will doubtless be of great value both to the Department of Municipal Affairs and to the municipal institutions concerned.

At the closing session of the convention of the Union of Alberta Municipalities at Calgary last week, a resolution was endorsed denouncing single tax in Alberta towns as a failure, and asking indefinite continuance of the amendment to the towns act enabling towns and cities to collect a business tax. The amendment permitting a business tax extends only to Dec. 31, 1918, and the text of the resolution asks that this date be eliminated, making the power to levy a business tax permanent.

HAROLD F. RITCHIE & COMPANY, LIMITED

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 14th day of September, 1917, incorporating Robert Dunn Moorhead, Leopold Macaulay and William Thomas Sinclair, Solicitors, Ethel May Drake, Stenographer, and William Henry Cecil Brien, law student, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To purchase, acquire and take over as a going concern the business now carried on at number 10, 12 and 14 McCaul Street, Toronto, under the style of firm of Harold F. Ritchie and Company, Limited, and any or all of the assets and liabilities of the proprietors of that business in connection therewith; (b) To carry on business as Manufacturers' Agents; to carry on the business of wholesale or retail merchants and to manufacture, purchase or otherwise acquire, hold, own, sell, assign, transfer, invest, trade, deal in and with goods, wares, merchandise and property of every class and description; (c) To apply for, obtain, purchase, sell, assign, lease, operate, hold, own, use, deal in or with patents, industrial designs, trade-marks or trade-names, secret processes and the like; (d) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of the company's property or rights; (e) To hold, own, sell, assign and purchase the stock of other companies; (f) To pay the expenses preliminary to the formation and establishment of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Harold F. Ritchie and Company, Limited," with a capital stock of six hundred thousand dollars, divided into 6,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 18th day of September, 1917.

THOMAS MULVEY,
Under-Secretary of State.

McLaughlin, Johnston, Moorhead and Macaulay,
Solicitors for Applicants.

IDEAL WAR-TIME POLICIES
COMBINING SAVINGS, INVESTMENT AND PROTECTION FEATURES.

It's a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policyholders, who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that would otherwise probably have been dissipated, and now they find that for every $100.00 so invested, from $125.00 to $210.00 have been received, depending on the length of the endowment term. Meanwhile, their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

SECURE AN ENDOWMENT WITH
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO ONTARIO

British Colonial Fire Insurance Co.
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AGENTS WANTED IN UNREPRESENTED DISTRICTS

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Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

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Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
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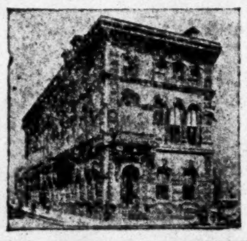

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For through tickets, information and our handsome Mountain Booklet apply to nearest C.N.R. Agent or General Passenger Dept., Montreal, Que., Toronto, Ont., and Winnipeg, Man.
CANADIAN NORTHERN RAILWAY

INVESTORS' INSURANCE NOTES

DEPARTMENT TAKES ACTION UNDER NEW ACT

Advises Foreign Companies That They Must Now Secure Dominion Licenses.

REGARDING DEPOSITS

Securities That May be Deposited are Accepted at Market Value for Foreign Bonds and at 95% in Other Cases.

Letters have been despatched by G. D. Finlayson, superintendent of insurance, to the head offices and chief agents in Canada of foreign insurance companies heretofore transacting business in Canada under provincial license. It is pointed out in these communications that the new insurance Act provides that, after its passage, no British or foreign insurance company to which the Act applies shall transact business within Canada, without a license under the Act, and that penalties are improsed for the infringement of this regulation. Companies addressed are urged to take the necessary steps forthwith to comply with the Act.

A schedule of instructions for insurance companies desiring to apply for licenses is forwarded by Mr. Finlayson. This shows the various documents that must be supplied to the Insurance Department, together with information regarding deposits. On the latter point some interesting details are forthcoming.

The amount of ordinary initial deposit for a license to transact fire or life insurance throughout Canada is $50,000. If the charter of the company authorizes the transaction of classes of insurance which cannot be combined in one license under the Act, such as, for instance, fire and life insurance, an excess deposit in addition to the ordinary initial deposit may be required by the Treasury Board. The necessity for the excess deposit and the amount thereof, not exceeding $200,000, is usually determined by the financial strength of the applicant company. The amount required has not in the past exceeded $50,000.

The amount of initial deposit may be reduced in cases in which the license is limited to one or more of the provinces of Canada. The Treasury Board has in the past authorized the following deposits in such cases:

Provinces Covered	Deposit for License	Deposit for lim. License
British Columbia	$50,000	$20,000
Ontario, Manitoba, Alberta, Saskatchewan, British Columbia	80,000	50,000
Manitoba, Alberta, Saskatchewan and British Columbia	60,000	30,000

The amounts of deposit which have been required by the Treasury Board under Section 131 of the Act for the various miscellaneous classes of insurance are as follows:

Accident (including employers' liability)	$40,000
Automobile	20,000
Burglary	10,000
Explosion	10,000
Guarantee	50,000
Live stock	20,000
Inland transportation	10,000
Plate Glass	10,000
Sickness	10,000
Sprinkler leakage	10,000
Steam boiler	10,000
Tornado	5,000

The securities which may be deposited under the Act are specified as follows:

(1) Securities, of or guaranteed by, the Dominion of Canada, or any province of Canada, or the United Kingdom, or any British Colony;

(2) Securities of the Government of the country in which the company is incorporated;

The Treasury Board has power to accept securities other than the foregoing, (Sec. 16), and in the past the following classes of securities have been accepted:—

(3) Canadian municipal securities;

(4) Debentures of Canadian loan companies which comply with the conditions fixed by the Board as to financial standing;

(5) Securities of the Governments of certain states of the United States.

The securities mentioned in (1) and (2) above, are accepted at their market value not exceeding par at the time they are deposited. Those mentioned in (3), (4) and (5) are accepted at 95 per cent. of their market value, the accepted value in no case to exceed par.

MUST PAY INSURANCE.

Order of the Court Compels Company to Pay Policy.

Mr. Justice Panneton rendered judgment in the Superior Court, Montreal, this week in a case of special interest to automobile owners and companies who insure automobiles. By the court's decision the London Guarantee and Accident Company is condemned to pay Ida Desmarais, wife of E. Lalonde, $1,500, being the full amount of insurance due her for the loss of her automobile by fire.

Plaintiff by her action sought to recover from the defendant company a sum of $1,500, being the value of an automobile insured with the company for this amount. The policy was dated March 10, 1916. It had been taken out by Romeo Hector Desmarais, plaintiff's brother, who transferred the machine to his sister on April 28, 1916. The transfer was endorsed on the insurance policy and accepted by the company the same day.

On June 15, 1916, while being driven the auto caught fire and was totally destroyed.

The company defendant in contesting the action alleged misrepresentations on the part of Mr. Desmarais when he took out the insurance policy in stating (1) that the auto was kept in a private garage whereas the company complained it had been kept in a public garage for ten months; (2) that the auto was wholly paid for; and (3) that the auto had been overvalued. These alleged misrepresentations, defendants submitted, annulled the contract of insurance. Plaintiff, however, denied the truth of the allegation of misrepresentations.

SOLDIERS' INSURANCE.

Experience of City of Toronto Up to September 20 Last.

The amounts which Toronto has paid out on account of soldiers' insurance up to September 20 are summarized as follows:

Paid by city directly, prior to 1917, $398,000; during 1917, $1,003,000; paid to companies as premiums previous to 1917, $741,038; premiums during 1917, $105,685; total cost to city, $2,247,723. This huge sum, practically two and one-quarter millions of dollars, will be largely increased before the end of the year. Here are the details in connection with soldiers' insurance to date:

Premiums paid to companies during 1917: Metropolitan Life, $63.643; Aetna Life, $42,042.

Premiums paid to companies previous to 1917: Metropolitan Life. $610,884; Aetna Life, $91,646; State Life, $38,506.

Claims paid during 1917: Metropolitan Life, 195, $195,000; Aetna Life 55, $55,000; State Life, 15, $15,000: City of Toronto, 1,003, $1,003,000.

Claims paid previous to 1917: Metropolitan Life, 538. $538,000: Aetna Life, 58, $58,000; State Life, 4 $4,000; City of Toronto, 398, $398,000.

HELD CONVENTION.

National Safety Council Met Last Week in New York City.

The National Safety Council held its annual convention last week at the Hotel Astor, New York. David Van Schaack, of the Aetna Life Insurance Company, was elected president for the ensuing year. The National Safety Council is one of the best known organizations of its kind and its membership embraces the largest industries in the United States. The speakers of each day's meeting were well known men associated with the various large corporations who try in every way to safeguard their employes. E. H. Gary, president of the American Iron & Steel Institute of New York, is one of the honorable members of the association.

One of the special features of the Congress was the National Exposition of Safety and Sanitation at the Grand Central Palace, Forty-Sixth Street and Lexington Avenue, New York, during the week. A co-operative arrangement was made with the American Museum of Safety to have one National Comprehensive Safety Exhibit in 1917. All of the ground floor space was apportioned to manufacturers of devices and appliances pertaining to accident prevention, fire prevention and sanitation. and to industrial concerns and railroads who exhibit for the benefit of the members of the Council and others.

Mr. Van Schaack. who has been elected president of the National Safety Council. is director of the Bureau of Inspection and Accident Prevention of the Aetna Life Insurance Co. and the Aetna Casualty & Surety Co.. of Hartford, as well as director of the department of publicity of the above named companies and of the Automobile Insurance Co. of Hartford, Conn. He has been interested in safety work for the past ten years and was one of the original committee of the council, as well as its first chairman of the finance committee. He has served as a member of the executive committee ever since the council first came into existence. He is the author of several pamphlets on safety. among them "Safeguards for the Prevention of Industrial Accidents." "Woodworking Safeguards" and "Cotton Mill Safeguards," and he has spoken in many of the large cities on accident prevention work.

WILL REDUCE RISKS ON WAR INSURANCE

Life Companies to Cut Down Amount of Policies Retained.

REINSURE MORE HEAVILY

No General Change is Made in the Regulations Covering Insurance of Men Eligible for Service.

There does not seem to be any general inclination on the part of Canadian life companies to put additional charges or limitation on policies taken out by young men liable for service under the Conscription Act. Interviews had this week by THE FINANCIAL POST with officials of several companies indicate that the sole change of policy is in the direction of reducing the amount carried at risk by each company on each life insured.

"We have reduced the amount of insurance which we will retain ourselves to $3,000 in the case of full life and 20-pay life policies, and $5,000 in the case of 20-year endowment policies, taken out by unmarried men under 36 years of age," stated W. A. P. Wood, actuary of the Canada Life Assurance. "It is simply a case of reducing the risk. Otherwise we have not changed our contract. We are quite prepared to insure men eligible for service overseas under the customary regulations, and if the amount required is higher than our limit, we simply reinsure the extra amount. In the case of married men under 36, we have made a limit of $15,000 as the amount of policies we will retain. Term policies, we will refuse altogether under this age."

Avoid Large Policies.

"We have not made any special regulations regarding men who may be conscripted," stated V. R. Smith, actuary of the Confederation Life Assurance Association. "It is quite likely, however, that we will extend our re-insurance on war risks a little further. The main thing to avoid is the large policy, which the insurers going overseas takes out and then after the war is over allows to lapse. The smaller policy which is maintained is much preferable."

Cecil C. Moore, Secretary of the Imperial Life Assurance Co., states that owing to the absence of the managing director, J. F. Weston, from Toronto during the past six weeks. no action has yet been taken as to the policy to be pursued in dealing with the conscription issue. At present the company is continuing to insure all applicants as before.

No Joint Action.

D. E. Kilgour, actuary of the North American Life Assurance Co., advises THE FINANCIAL POST that his company has not adopted any special policy in connection with the insurance of men liable under the Military Service Act. He did not see any necessity for refusing to insure draftees, but admitted that it might be desirable to reduce the risk carried by reinsuring larger amounts of policies contracted.

Mr. Kilgour, who is also honorary secretary of the Life's Officers' Association of Canada, says that no joint action has been taken by the companies, the matter being left to individual consideration.

J. B. McKechnie, managing director, Manufacturers' Life Insurance Co., states that his company has not made any change in its regulations as yet.

"We might reinsure a little more freely than we have done in the past," said Mr. McKechnie, "but so far as instructions to the agency force are concerned, we have made no change."

TO MONTREAL.

Hamilton Fire Insurance Head Office Goes There.

The headquarters office of the Hamilton Fire Insurance Company will be moved from Hamilton to Montreal. A local branch of the concern will be maintained in Hamilton, of which Russell T. Kelley will be the manager.

The London, Liverpool and Globe Insurance Company bought out the Hamilton Fire Insurance Company about two years ago. The former institution also owns the Globe Indemnity Company, whose headquarters is at Montreal. For the convenience of its business the London, Liverpool and Globe Insurance Company now deems it expedient to move the headquarters of the Hamilton Fire Insurance Company to the metropolis of Quebec.

CANADIAN ORDER OF CHOSEN FRIENDS

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor.
W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer.
J. H. Bell, M.D., Grand Medical Ex.
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(Fire, Explosion, Ocean Marine and Inland Marine Insurance)
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Assets over - - - - - $ 5,000,000.00
Losses paid since organization over - - - $66,000,000.00
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Chief Office for Canada, TORONTO
LONDON & LANCASHIRE FIRE INSURANCE COMPANY
ALFRED WRIGHT, MANAGER

British America Assurance Co.
(Fire, Hail, Ocean Marine and Inland Marine Insurance)
HEAD OFFICE - TORONTO
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The Dominion Life Assurance Company
It has an unbroken record of High Earnings
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In nineteen cases out of twenty, men canvassed for Life Insurance agree that they should be insured, and intend "some day" to obtain Insurance—but too many are disposed to procrastinate. "I will insure next year," they say—forgetting that if only one could count upon "next year" there would be no need of Life Insurance.

The Great-West Life Policies offer the protection of Insurance on most attractive terms, and at the same time offer a remarkably good investment. The leaflet, "Deferred Dividend Policies," gives convincing proof in this direction, and a copy will be mailed to any interested person on request.

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Offices Throughout the Civilized World.
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TORONTO

MORTGAGES AND REALTY

TORONTO SELLS ITS EXPENSIVE ABATTOIR

Gets Rid of an Enterprise Which Has Proved to be a White Elephant.

WAS A COSTLY VENTURE

Commissioners of Finance and Property Explain Why it Will Be of Advantage to Sell Out.

A few weeks ago THE FINANCIAL POST published an article commenting on the poor results being obtained by the City of Toronto from the operation of its civic abattoir. The venture has for some time been a losing one and it was pointed out that it was but another example of the defects of public ownership when applied to enterprises requiring sound business management. This week the sequel of this story may be published and the word Failure be writ large on this unfortunate undertaking.

The Board of Control has recommended that the building and equipment be sold to William Harris & Co., from whom an offer of $427,784 for the plant has been made. Both the Commissioner of Finance and the Property Commissioner urged this action strongly on the Board. Their recommendations are as follows:

"We have given the subject serious consideration, and have been carrying on negotiations for some time, in the hope that an arrangement might be suggested that would meet the foregoing conditions, and we are now in a position to submit for your favorable consideration the offer of W. Harris & Company, Limited, of Toronto, manufacturers of casings, tallow, etc., to purchase the municipal abattoir and property as shown on the blueprint annexed, for $427,784; $50,000 payable in cash, and the balance in twenty annual instalments, which would include principal and interest of $27,798 each, on the conditions set forth in their offer dated the 19th September, 1917, which, amongst other things, provides that the abattoir shall always be available for the killing of animals, under conditions to be set forth in an agreement to be made between the city and the purchasers.

"A proposal to lease the property for a number of years was considered, but in view of the heavy depreciation which would be in evidence at the expiration of such lease, it was felt that the buildings would be of little value, and that the city would undoubtedly suffer a serious financial loss; proposal to enter into partnership with an important packing concern was also considered, but in view of the heavy financial liability which would be involved on the part of the city, and the uncertainty of the results, it was not favorably entertained.

"The transaction which we now submit to you commends itself to us in that (a) compensates the city for the large investment which it has already made; (b) instead of a deficit averaging $66,800 per annum, there will be a clear revenue, including taxes, etc., of approximately $29,000 a net advantage to the taxpayer of $95,800 per annum; (c) it perpetuates to the citizens all the advantages which the abattoir now affords; (d) it will tend to develop and make more valuable the city's cattle market, which for some time past has been dormant."

WESTERN FARM LANDS.

Block of Saskatchewan Land Placed With American Interests.

W. G. Styles, president of the Regina Board of Trade, and manager of the Regina Branch of the National Trust Co., recently returned from a trip to the United States, during which he closed a deal for the sale of 10,000 acres of Saskatchewan farm lands to American interests. The land is situated in the Kamsack district, and the parties buying it intend to colonize it. During the present season Mr. Styles has disposed of 60,000 acres of farm land, all but 900 acres being located in Saskatchewan. There is great interest in the Western States in Canadian farm land. Mr. Styles states, and despite the war a great many inquiries are being made as to western lands.

THE WINNIPEG AUCTION.

Sale Brought in Close to Half a Million Dollars.

Total returns from the auction sale of lots in Crescentwood Park, Winnipeg, to which extended reference was made in these columns last week, amounted to half a million dollars. 142 lots were disposed of. There were many bargains and purchasers were able to secure lots at a figure less than half the price they were held at previous to the sale. The 142 lots were held at $1,300,000 and the exact amount realized was $498,000.

Messrs. Day and Davis, the auctioneers, when interviewed after the sale, said that on the whole it had been a remarkable sale considering the times as the people of Winnipeg know that the peak of the real estate boom was in 1912, and since then there has been no great movement. "C. H. Enderton & Co. are to be congratulated, first on the success of the sale, even if it did bring them a price considerably lower than what this property has been quoted at in the past. Secondly, for their courage in putting this property up for public bidding, in these times, and allowing the public to make their own price. It only proves what has been our experience in the past, that when you treat the public squarely, they will give the proper response," declared Mr. Day.

Continuing, Mr. Day said, "that there were very few people in Winnipeg who wanted to predict that any real estate of the lost development kind, would bring half a million dollars in this market. The residents of this city do not realize the good values and wonderful possibilities its real estate has. Outsiders coming here, like ourselves, who give careful thought to the different fundamentals that go to make up constructive real estate values, would have only one decision to make, and that is Winnipeg has got to keep on growing and extending, qualifying and building up the values that have been achieved.

Among the buyers were Robert McKay, representing a number of clients principally Grain Exchange members P. C. McIntyre, Lt.-Col. H. A. Mullins C. H. Newton, J. W. Harris, L. Northrop, H. D. McLaughlin, McTavish Campbell, Gordon McTavish, Charles Goldstein, Prof. Osborne, E. F. Hutchings, Wm. Gordon, Ryan Bros., Major H. W. Wright, W. H. Reynolds, W. A Hebblewaite and Walter Hastings.

ESTATES.

Value of Some of the Recently Probated Wills.

The late James J. Hill's estate has been appraised at sixty million dollars, $24.800.000 of which represents bank holdings.

Richard E. Bell, an Ottawa paper box manufacturer, who died on May 31 intestate, left an estate valued at $52,207. His personal estate is valued at $48,707, and his real estate at $3,500. One-third of the estate will go to his widow and the rest will be divided equally between the two daughters, Ethelwynne Bernice and Grace Elizabeth.

Five sons and two daughters share equally in the estate of $151,658 left by the late John Morrison, former president of the Burns Club, who died in Toronto Aug. 22. The estate consists of 10 Dominion War Loan bonds of $1,000 each; life insurance and cash on hand, $4,653; secured loans, $675; jewelry, $690; household goods and furniture, $1,625; and real estate consisting of 309-311 Yonge street $42,433; 604 Jarvis street, $25,000; 608 Jarvis, $26,911; 610 Jarvis, $10,906; 129 Bloor east, $4,581; 131 Bloor east. $4,581; 133 Bloor east, $8,719; 45-47 Isabella, $6,850; 49 Isalbella, $4,025. The property is to be held in trust for 10 years before being distributed.

The Kitchener Apartments, fronting on Addington Avenue, in Notre Dame de Grace Ward, Montreal, have been sold by John Williamson to Fredera Realties, Limited, for $30,000.

T. Orrill has purchased the corner lot next to the Quinte Hotel in Trenton from Robert Weddell and will erect a modern business block on it.

J. L. Peacock of Medicine Hat, has purchased the Kenneth Meek ranch twenty miles north of the city. This consisst of a large leasehold, over 2,000 acres of freehold, 500 head of cattle, horses, implements, etc.

A number of farm sales have taken place in the neighborhood of Brussels Ont., in the past few days. Hugh Lamont, Jun., has bought the 200-acre homestead, of which he has been the tenant, from his father, for $10,500 John Lowe purchased the 100 acres from Alex. McDonald, adjoining his farm, for $5,200. Mrs. John Smith has sold her 155 acres to Richard Jacklin for $9,500, and she in turn has secured the 100 acre farm in Morris Township owned by Nesbit Hamilton.

CIGARETTE PRODUCTION.

British-American Output Now 150,000,000 Per Day.

The British-American Tobacco Co. is manufacturing and selling 150,000,000 cigarettes a day. This is at the rate of 52,000,000,000 annually, because, to take care of its immense orders, the company is working on a schedule of 365 days a year. It is selling 400,000,000 cigarettes to France a month.

Present production record of the British-American Company means a cigarette business far ahead of the combined business of all American companies. It is expected that the American concerns will manufacture and sell in this country more than 36,000,000,000 cigarettes this year, as compared with 25,250,000,000 in 1916.

Hamilton's population, according to the civic assessment, is now 107,826, an increase of 3,335 for the year. The assessment is $83,152,775, an increase of $1,806,549.

SURVEY OF THE WORK OF LOCAL GOV'T BOARD

History and Functions of Saskatchewan Board Are Outlined.

NATURE OF BORROWINGS

Since Organized the Board Has Authorized Borrowings by Municipalities, Telephone Co.'s, etc., of $13,500,000

During the year 1916, the local Government Board of Saskatchewan authorized issues of debentures aggregating $3,244,844. Of this amount by far the largest amount, $2,269,500, was on account of rural telephone companies. These figures appear in the latest number of the Public Service Monthly of Saskatchewan, in an article giving a concise account of the history of the board. Comparative figures of authorizations for 1914 and 1915, illustrate how municipal issues have declined, while telephone issues have increased:—

	1914	1915	1916
Cities	$4,409,467	$503,865	$170,217
Towns	482,501	357,672	172,757
Villages	82,300	88,400	53,150
School districts.	1,227,125	638,075	559,260
Rural telephones	973,900	1,162,500	2,269,500
Rural municipal	174,500	58,000	20,000
Total	$7,329,793	$2,808,513	$3,244,844

From 1905 to 1913, a period of rapid expansion in the province, general supervision over borrowings was exercised by the government. In the latter year, however, it was felt that some central body should be created which would deal with all borrowings by local authorities and whose duty it would be to acquaint itself with their immediate needs and probable future necessities, and while not hampering their work, to prevent as far as possible undue mortgaging of the future, thus keeping them within bounds.

Personnel of Board.

"Accordingly an Act to provide for the creation of a local government board was passed at the 1913 session of the Legislature, and the Lieutenant-Governor appointed A. J. McPherson, C.E., chairman, with S. P. Grosch, B.A., and J. R. Bunn, as commissioners of the Local Government Board. Only one change has since taken place in the composition of the board, when in January last, Mr. (now Major) McPherson resigned, Mr. Grosch became chairman, and Mr. J. N. Bayne was appointed acting commissioner. The board gathered available information on the works and actions of similar boards, and decided to deal on its merits with each application by local authorities to borrow money by way of debenture, and that no application should be granted until the board was in possession of all necessary information as to requirements, estimated cost, etc.

"During the first year of the board's operations several applications were made for permission to borrow amounts which in the board's opinion would have entailed too great an expenditure for the benefits to be derived from the works, and would have been beyond the means of the ratepayers, but on this being shown the local authorities were nearly always able to revise their estimates and provide the necessary facilities with provision for addition at a much decreased cost. The board has endeavored in all cases to be fair and just, but although its decisions cannot be expected to have given satisfaction in every case, even those local authorities who were inclined to demur when their proposed debentures were not authorised, in most instances have ultimately acknowledged that the board's action was taken with a view to their best interests.

"In the financial panic following the outbreak of the war, there was uncertainty as to whether certain bond dealers would be able to fulfill their commitments to buy debentures, and several repudiations of contracts did occur, but most of them were able to again take up their contracts at a later date. The board made careful inquiries into these conditions, and as a measure of protection to local authorities, and in order to keep control of the situation, decided not to authorise debentures of any kind until evidence was submitted that a sale was being made at a price satisfactory to the board.

"It is pleasing to note that in the whole experience of the board, although delays have occasionally occurred in the payment of debenture coupons, there has never yet been a case of permanent repudiation, so that investors who put their money into this class of security need not have any fear as to its being a first class security."

Amendments to Act.

The local Government Board Act was twice amended and at the last session of the Legislature was consolidated. The changes made in almost every case have merely to do with matters of procedure, which were designed to facilitate the business of the board.

"Two exceptions to this, however, may be mentioned. An amendment was made at the session of 1916 by which when default has been made in retiring debentures or debenture coupons when due, the board was given power to intervene and adjust matters between the defaulting municipal corporation or school board and the disappointed bond holders. The effect is to constitute the board a mediator between the parties concerned, so as to assist both in reaching an equitable adjustment. This power has many times been exercised and four formal inquiries have been made in this connection. The other noteworthy change was the addition of a new clause detailing the conditions under which, in connection with the board's orders, an appeal is allowed to a judge of the supreme court.

"A new Sale of Shares Act was passed in 1916. The main difference between the new and the old legislation is that whereas under the old act the power is given after examination, to control the sale of shares of unregistered foreign companies only, the new Act gives the board authority over the sale of all shares or bonds, except those of the Dominion of Canada and of its provinces, of foreign countries, and of all varieties of municipal, school or local improvement districts in Canada."

During the three years since the Board was established many applications to borrow by debenture have been for one reason or another refused.

Summary of Work.

The services which the Board is rendering are summarized as follows:—

1. It supervises the debenture borrowings of all municipalities, school districts and rural telephone companies.
2. It administers The Act respecting Subdivisions.
3. It administers The Sale of Shares Act.
4. It protects both the bond buyer and the local authority.
5. It gives its assistance in adjusting the affairs of local authorities which for various reasons have become involved.
6. It hears and determines appeals from the decisions of courts of revision of assessments of all cities, such towns as are designated by the Minister of Municipal Affairs, and subdivisions in rural municipalities.

SHAW GRENADES, LIMITED.

PUBLIC NOTICE is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 7th day of September, 1917, incorporating George Alexander Shaw, inventor, Ewen Mackenzie, contractor, Gerard Ruel and Reginald Herbert Montague Temple, barristers-at-law, and George Norman Limpricht, draughtsman, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz: (a) To purchase or otherwise acquire all or any patents or patented rights in or in respect of the patented device known as "Shaw's grenade" and all patents or patented rights in respect of improvements thereon; (b) To apply for, purchase or otherwise acquire any other inventions, patents, discoveries, processes, licenses, trademarks, concessions, or the like, conferring any exclusive or non-exclusive or limited or unlimited interests, or rights to use, or any secret or other information, as to any invention, discovery or process respecting improvements in hand grenades, bombs, munitions of war of any and every description, or any other invention, discovery or process capable of being conveniently handled, used, manufactured, or developed in connection therewith; (c) To use, exercise, develop, improve, and to grant licenses in respect of, or otherwise to dispose of or deal in the whole or any part of such inventions, discoveries, patents, processes, property, rights, licenses or information so acquired; (d) To manufacture, assemble and instal, and to purchase or otherwise acquire, dispose of, and deal in any articles, materials, or things covered by or included in any such inventions, discoveries, patents, processes, property, rights, licenses or information, or any improvements thereon or developments thereof, and any machinery, plant, equipment, appliances, materials or things, used or capable of being used in connection therewith, or in connection with any tests or demonstrations thereof or experiments or researches incidental thereto; (e) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (f) To acquire or undertake the whole or any part of the business property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (g) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To issue in payment or part payment of any property, rights or privileges acquired by the company, or for any guarantees of the company's contracts or securities, or for services rendered, shares in the company's capital stock, whether subscribed for or not, as fully paid-up and non-assessable or the company's securities; (j) To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, bonds, debentures or other securities belonging to the company or which the company may have power to dispose of; (k) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (l) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Shaw Grenades, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 11th day of September, 1917.

THOMAS MULVEY,
Under-Secretary of State

PICKERING SAND AND GRAVEL COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 28th day of August, 1917, incorporating William Francis Curran Sellers, secretary, David John Gibson, real estate broker, Robert Errett Grass, Esquire, Norman John Schell, life insurance broker, and Ethel Mary Moore, stenographer, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire by purchase, lease, concession, licence, exchange or other legal title, sand and gravel lands or any interest therein; (b) To construct, maintain, alter, make, work and operate on the property controlled by the company, buildings, tramways, dams, roads, shops, mills and other works and machinery, plant and appliances of every description; (c) To buy, sell, manufacture and deal in all kinds of goods, stores, implements, chattels, and effects required by the company and its servants or workmen; (d) To quarry or dig for and sell all kinds of sand, gravel and stone; (e) To manufacture and sell all kinds of cement; (f) To carry on any other business capable of being conveniently carried on in connection with its business or calculated directly dr indirectly to enhance the value of or render profitable any of the company's property or rights; (g) To acquire or undertake the whole or any part of the business, property or liability of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of the company; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To enter into any arrangement with any authorities, municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such authorities any rights, privileges and concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges or concessions; (j) To do all or any of the above things as principals, agents, contractors or otherwise and either alone or in partnership or in conjunction with others; (k) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Pickering Sand and Gravel Company, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 30th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

B. N. DAVIS & GRASS,
Continental Life Bldg., Toronto,
Solicitors for Applicants.

THE CANADIAN ANNUAL REVIEW, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Frederick Egbert Earl, accountant, Jim Weir McFadden and Charles Brotchie Nasmith, barristers-at-law, and Beatrice Scheurer and Ethel Vivian Smiley, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To carry on a general publishing business as proprietors, publishers, editors, printers, binders and illustrators of and dealers in publications and literary undertakings of every description and to transact all kinds of business or adventure, and all such things as are incidental thereto or connected therewith; (b) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of this company; (c) To acquire or take over as a going concern the business now carried on by the "Annual Review Publishing Company, Limited," a company incorporated under the Ontario Companies Act and all or any of the property, assets and liabilities of the said last-mentioned company in connection therewith, and with a view thereto to enter into such contracts and agreements to carry the same into effect as may be necessary; (d) To hold shares in any other company and to enter into any arrangement for sharing profits or for any other purpose with any person or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any similar business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (e) To promote any company or business for the purpose of acquiring all or any of the property and liabilities of this company; (f) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business, and in particular any land, buildings, easements, machinery, plant and stock-in-trade; (g) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined and to make advances to such persons and on such terms as may seem expedient and in particular to customers, agents and others having dealings with the company and to guarantee the performance of contracts by any person; (h) To draw, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (i) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, bonds, debentures or securities of any other company having objects altogether or in part similar to those of this company; (j) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the company's capital or any debentures or other securities of the company in or about the formation or promotion of the company or the conduct of its business. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Canadian Annual Review, Limited," with a capital stock of seventy-five thousand dollars, divided into 750 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

WINNIPEG SALES BOOK COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Leslie McPhail Appleford, of the City of Hamilton, in the Province of Ontario, manufacturer; William Symon Morlock, James John Maclennan, Anthony L'Estrange Malone, Reginald Holland Parmenter and John Noble Black, gentlemen, of the City of Toronto, in the said Province of Ontario, for the following purposes, viz:—(a) To publish, print, bind, manufacture, issue, purchase, sell, deal in and otherwise turn to account, books, magazines, publications, newspapers, pamphlets, counter check books, bond books, account register systems and forms in connection therewith, loose leaf systems, binders, food products wrappers, plain and printed paper wrappings, paper bags, twines, shipping tags, stationery of all kinds, carbon papers, waxed and saturated papers, typewriting supplies, maps, charts, engravings, lithographs, etchings, wood-cuts, electrotype pictures and illustrations, whether covered or without cover, and by whatsoever process or processes the same may be produced, whether now existing or hereafter to be discovered or invented, and generally to carry on the business of printers, binders, lithographers, electrotypers, stereotypers, engravers, die sinkers, embossers, manufacturers and publishers, and to carry on a general advertising business as advertising contractors and agents; (b) To acquire, enter into and take over contracts of every description and to transfer, assign and otherwise dispose of any contracts or undertakings of the company in whole or in part, and to enter into, carry out, perform and sublet contracts for doing work and supplying material in connection therewith; (c) To acquire, construct, manufacture, build, maintain, hold and operate all and appliances necessary or convenient for the proper carrying on of any of its understock-in-trade, plant, machinery, equipment takings and for this purpose to also apply for and acquire patent rights, patents of inventions, licenses, secret processes, copyrights, trade-marks, and to use, exercise, develop and grant licenses in respect thereof or otherwise to turn the same to account; (d) To buy, sell, manufacture, repair, alter and exchange, let or hire, import, export, manipulate, prepare for market and deal in all kinds of goods, chattels, wares and merchandise which may be required for the purposes of any of the said businesses or commonly supplied or dealt in by persons in any of the said businesses or which may seem capable of being properly dealt with in connection with any of the said businesses; to acquire, purchase, hold, lease, sell, assign and convey any real estate requisite for the carrying on of the undertaking of the company; (e) To purchase, take over or acquire by original subscription or otherwise, and to hold, sell, assign, transfer or otherwise dispose of or deal in the undertakings, shares, bonds, debentures, securities or evidences of debt created by any other corporation, and while owner of such shares of stock to exercise all the rights, powers and privileges of ownership including the right to vote thereon, notwithstanding the provisions of section 44 of the Companies Act; (f) To purchase and acquire any business of a similar nature and to purchase and acquire any interest or control in any business of a similar nature to that which this company is authorised to carry on, and to pay for same in whole or in part in cash, bonds or paid-up stock of this company; (g) To aid in any manner any corporation, any of whose shares of stock, bonds or other obligations which are held or are in any manner guaranteed by this company, and to do any act or thing for the preservation, protection, improvement or enhancing of the value of any such shares of capital stock, bonds or obligations, and to do any and all acts and things tending to enhance the value of any of the property at any time held or controlled by this company; (h) To sell, lease or otherwise dispose of the undertaking and assets of the company hereby incorporated or any part thereof, for such consideration as the company may think fit, including the shares, bonds, debentures or securities of any other company having objects similar in whole or in part to those of the company hereby incorporated; to receive and accept bonds, debentures, or other securities in payment in whole or in part for work done and material supplied in connection with the business of the company, and to pay for any property purchased by the company by the issue of paid-up stock or bonds of the company or partly in stock and partly in bonds; (i) To enter into partnership or any arrangement for sharing of profits, union of interests, cooperation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (j) To invest and deal with the moneys of the company not immediately required in such manner as from time to time may be determined; (k) To distribute among the shareholders of the company in kind any property or assets of the company and in particular any shares, debentures or securities of any other company or companies which they may have purchased or taken over, either in whole or in part, the property, assets or liabilities of this company; (l) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property, undertaking and rights of the company for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of the Companies Act, for shares, debentures or securities of any other partnership, association or company having objects altogether or in part similar to those of this company; (m) Notwithstanding the provisions of section 44 of the Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein, and to apply or to accept in whole or in part as consideration or satisfaction or the security for any contract, indebtedness or obligation to or of the company, property obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon and to apply or to accept as security for any indebtedness of the company mortgages on lands or chattels upon such terms as may be agreed upon; (n) To amalgamate with any other company or companies having objects similar to those herein enumerated; (o) To enter into any arrangement with any government or authority, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (p) To do all and any of the matters hereby authorized either alone or in conjunction with or as factors or agents for any other companies or persons or by or through any factors, trustees or agents; (q) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the above or any portion thereof, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (r) The objects specified in each paragraph hereto shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Winnipeg Sales Book Company, Limited," with a capital stock of ten thousand dollars divided into 100 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

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AGRICULTURE THE SOLUTION SAYS COMMITTEE

Report to the Senate Asks Development of the Land.

IMMIGRATION IMPORTANT

Several Phases of Agricultural Question Dealt With—Great Avenues of Trade to Be Looked for Within the Empire.

It may be regarded as significant that the report of the Special Senate Committee on Agricultural, Industrial and Trade Development devoted itself almost entirely to the agricultural phase of the program indicated. In fact the committee in the document submitted to the Senate by the chairman, Senator Bique, stated the belief that the readjustment of the country from the conditions attendant upon the frightful expense, destruction of life and waste of property in the war and the temporary channels of industry to which energies are now being directed, would best be found in the development and in the improvement of agriculture. In this connection the report says:

> The development of our agriculture being dependent upon an increase of population, it becomes imperative to find the means of attracting a proper class of immigrants and as numerous as possible.
>
> With peace, great avenues of trade will be opened within the Empire and with the Allies and neutral countries. Let us prepare to take our fair share and thereby find permanent employment for the capital and labor, which is presently engaged in the manufacture of munitions of War.

The committee makes nineteen recommendations in all, practically the whole of which refer to the development of agricultural interests. There is reference to the necessity of co-operation between the Dominion and the Provinces in handling the public lands, reference also to the importance of the encouragement of mixed farming, practical farm loans, etc., for the increase of agricultural revenue, with clauses referring to the problem of getting the returned soldier on the land and of developing petty industries for the employment of surplus agricultural labor between seasons. The recommendations follow:

1. Co-operation between Dominion and Provincial Governments in formulating plans for the granting or selling of land for farming purposes, whereby the respective mineral, forestry and agricultural value and its advantages and disadvantages for the latter purpose would be ascertained before each land section or district opened for grant or sale.
2. The opening of the different sections of land for farming purposes on colony basis covering different branches of agriculture, and as close as possible to market and railway facilities.
3. That the system of disposal of the remaining of Dominion land in the West be rearranged so as to promote increased development of mixed farming on lands within a reasonable distance of railways, and of live stock industry on the more remote lands by affording assurance of reasonable permanence of the ranges.
4. The formulating of some practical schemes of farm loans which would facilitate the borrowing of capital properly guaranteed for the purpose of stocking, improving or developing farms, with sufficient co-operative responsibility to secure proper local supervision.
5. The establishment in co-operation with the Department of Immigration of organizations for the gathering and dissemination of reliable information as to labor conditions in all parts of the Dominion and the proper distribution of labor.
6. The formulating of plans to encourage and assist returned soldiers who are so inclined and physically fit, to go upon the land and cultivate it.
7. The establishment in each province of camps on good agricultural lands where returned soldiers may find employment at reasonable wages in different kinds of occupation, but mainly agriculture, with theoretical and applied instruction in agriculture, in view of their ultimately settling in colonies on farms of their own.
8. The formation of expert agriculturists and assigning them to supervise and control the cultivation by way of demonstration, of a number of different plots of ground (say one or more in each locality) by the owners thereof and eastern farms and the practical demonstration, conservation and utilization of farm manure, and for the procuring of artificial fertilizers at lowest cost possible.
10. The making of expert inquiries as to the practical use of farm tractors both for western and eastern farms and the practical demonstration of their use in different sections of each province.
11. As soon as labor conditions permit, the formulation of plans to ensure the cutting by farmers of weeds before maturity.
12. Stimulating and encouraging co-operation among producers, both for purchasing and selling, and the proper grading of farm produce.
13. The promotion of said storage and abattoir facilities.
14. The promotion of petty industries in which farm hands may be employed at leisure time.
15. The promotion of modern conveniences, such as telephone and electric light in rural settlements.
16. Dissemination of proper knowledge for the use of suitable fertilizers.
17. Dissemination of proper knowledge and advantage of the draining of agricultural lands.
18. The teaching of elements of agriculture in all elementary schools with an adjoining plot of land for applied instruction.
19. In the eastern provinces, the making of ready or semi-ready farms for intended settlers, by the province.

The committee is making an appeal to various public bodies for co-operation in the serious study of the questions which are embraced in the report and all other problems which may arise in the same connection.

PRODUCTION OF IRON AND STEEL IN CANADA

Large Increase in Steel Ingots and Direct Castings During Half Year.

OTTAWA.—The Mines Branch of the Department of Mines, has received from the producers complete returns of the production of pig iron in Canada and with the exception of two small plants complete returns of the production of steel ingots and castings during the first six months of 1917.

The total production of pig iron during the first six months was 586,998 short tons, as against 562,097 tons during the first six months of 1916. The average monthly production in 1917 was 97,833 tons, as against an average monthly production throughout 1916 of 97,438 tons.

Furnaces were in blast at Sydney and North Sydney, N.S.; Hamilton, Port Colborne, Sault Ste. Marie, and Deseronto, Ont. The Deseronto furnace went into blast in May having been out during the first four months. Small quantities of pig iron were also produced in electric furnaces from scrap steel at Orillia, Ont., and Montreal, Que.

The total production of steel ingots and direct castings during the first six months was 836,149 short tons, as against 589,553 tons during the first six months of 1916. The average monthly production during the first six months of 1917 was 139,358 tons as against an average monthly production throughout 1916 of 106,268 tons.

The production of steel, in electric furnaces included above were 18,797 tons during the first six months of 1917 as against a total of 19,639 tons produced throughout 1916.

RAILWAY EFFICIENCY.

Many War-Time Problems Solved in the United States.

Many transportation problems have been solved by the 693 railroads operated by the Government War Board since the period of co-operation began on April 21. The car shortage has been reduced 70 per cent., from 148,627 on April 30 to 33,776 on August 1. In May freight transportation service rendered by about 75 per cent. of Class 1 roads was 16.1 per cent. in excess of the service in 1916. The carriers achieved the astounding feat of adding to their freight service in two years an amount equal to the freight traffic of Great Britain, France, Russia, Germany and Austria combined. Approximately 20,000,000 miles of train service a year have been saved by elimination of all passenger trains not essential to most pressing needs. Freight congestion at many important shipping points was averted by promptly moving empty freight cars from one railroad to another, irrespective of ownership. By this means the board moved 113,420 empty cars into districts where they were most needed. In the West passenger trains representing more than 5,000,000 miles of train service a year have been eliminated without curtailing necessary service, and when the program is completed the total will be 12,000,000 miles. In the East the reduction equals 16,267,028 miles. That means more men, locomotives and fuel to move freight.

WOOLWORTH STORES.

New High Record for Sales Looked for in Current Year.

Recent reports indicate that business of the F. W. Woolworth stores seems certain to make a new high record in the current year. Sales for the eight months ended August 31 were $56,563,341, a gain of 12.11%; and for the first week of September they showed an increase of 20% over the same week of 1916.

Based on the increase for the eight months, the full year's sales should be about $97,000,000, compared with $87,089,271 in 1916, and $60,557,767 in 1912, the first year the present organization operated.

THE POST AT THE FRONT.

Among the recent new subscriptions to THE FINANCIAL POST is that of Lieut.-Col. Reg. Pellatt who will through its columns keep in touch with the Canadian business and investment situation at the base depot of the 3rd Canadian Infantry in France.

Food Controller Hanna has lifted the ban on the selling of canned vegetables in Saskatchewan owing to the shortage of fresh produce existing in that province.

BONDHOLDERS EASTERN STEEL ARE CONCERNED

Recent Fire Has Added to the Difficulties of the Proposition.

OUTLOOK IS SERIOUS

Munitions Operations Have Evidently Not Been Very Satisfactory, and Full Claims of Bondholders May Not be Met.

Special to The Financial Post

HALIFAX.—The main building for the structural steel works and machine shops, belonging to the Eastern Steel Company of New Glasgow, which was burned last week, is almost a total loss. This building was insured on a schedule policy for $145,000, and, while the exact amount of insurance that will be payable had not been figured when this was written, it will come to about $118,000. The buildings not burned include the power house, the foundry, the warehouse, and the office. The total insurance on the entire plant under the schedule was $255,000. Approximately the amount on the undamaged buildings will be $100,000. There was, besides, $120,000 on shells, but the loss on this, between $30,000 and $50,000, is payable not to the company, but to the Imperial Munitions Board. There was some talk of a large part of the insurance having been cancelled, but there was no truth in this. There may have been some changes in the companies holding it, but the full amount was in effect when the fire took place.

The Eastern Steel Company's bond issue is $355,626, and the capital stock is $327,050. The interest on the bonds, for six months, due in August, has not been paid.

The financial statement, dated June 12, 1917, and presented at the annual meeting in July, showed the gross profits for the year to be $103,177, and that out of this amount interest on the bonds to October 31, 1916, had been paid, an amount placed in reserve to cover bond interest to December 31, 1916. During the past two years there has been expended, the statement says, on shell equipment the sum of $156,000, and before any profits can be calculated from shell business, it will be necessary to have the cost of this equipment absorbed by amortization. For this purpose the sum of $24,000 was placed in reserve at the end of 1915, and a further sum of $65,000 has been added to this at the end of 1916. After writing off this latter amount, and also the sum of $8,000, there remained at credit of profit and loss account the sum of $10,272. At the end of the previous year the balance was $6,267.

The statement showed bills receivable of $41,896 and bills payable of $108,780, with loans from the bank of $20,446. The total set down as reserve for depreciation of plant and amortization of shell equipment.

In view of the fire and the financial statement and the fact of unpaid bond interest, the holders of these securities are considering the outlook as to the position of the $327,050 of first mortgage bonds. The part of the plant still to the good has about $100,000 insurance, as already stated, and the insurance payable on the burned plant is some $118,000, a total of $218,000. Whether the machine shop will be rebuilt has not been stated, but this does not seem likely. It is understood that creditors had been pressing their claims. The outlook is not very bright for a redemption of the bonds in full.

The Eastern Steel Company was formed four years ago by a company that took over the works at New Glasgow of the Brown Machine Company, making machines and tools, and the Baily Underwood Works, making harrows and agricultural implements, at a capitalization, including the bonds, of $682,676. No dividends have been paid, and the making of munitions, on which the company have largely been engaged, since the outbreak of the war, does not seem to have been very profitable. The president of the company is David P. Brown, formerly of the Brown Machine Company, and the directors are James A. Stairs, W. A. Henry, A. H. Zwicker and John Underwood, the latter of the old Bailey-Underwood Company.

The bonds are held exclusively in Halifax, New Glasgow, and throughout Nova Scotia, and the company's outcome is naturally being watched with interest by the investors.

The city of Saskatoon will request the Saskatchewan government to amend the present legislation governing the operation of street railways so that the city may, if it is so desired, operate some, if not all, of its street cars on the one-man system.

THRIFT

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